Market snapshot

Equities - India	Close	Chg .%	CYTD.%
Sensex	77,655	1.2	-8.9
Nifty-50	24,250	1.1	-7.2
Nifty-M 100	62,862	0.8	3.9
Equities-Global	**Close**	**Chg .%**	**CYTD.%**
S&P 500	7,316	-1.5	6.9
Nasdaq	24,443	-1.7	5.2
FTSE 100	10,908	0.3	9.8
DAX	25,460	0.0	4.0
Hang Seng	8,624	2.2	-3.3
Nikkei 225	61,434	-1.5	22.0
Commodities	**Close**	**Chg .%**	**CYTD.%**
Brent (US$/Bbl)	91	6.4	46.0
Gold ($/OZ)	4,068	0.9	-5.8
Cu (US$/MT)	13,605	-0.8	9.2
Almn (US$/MT)	3,217	1.7	8.4
Currency	**Close**	**Chg .%**	**CYTD.%**
USD/INR	95.6	-0.2	6.4
USD/EUR	1.1	0.7	-2.4
USD/JPY	163.4	-0.3	4.3
YIELD (%)	**Close**	**1MChg**	**CYTD chg**
10 Yrs G-Sec	6.8	0.02	0.2
Flows (USD b)	**29-Jul**	**MTD**	**CYTD**
FIIs	0.31	1.52	-27.8
DIIs	0.10	3.72	53.7
Volumes (INRb)	**29-Jul**	**MTD***	**YTD***
Cash	1,389	1295	1361
F&O	67,033	2,24,084	2,66,037

Note: Flows, MTD includes provisional numbers.
*Average

Today's top research idea

Radico Khaitan: Growth excitement continues; positive revision in guidance

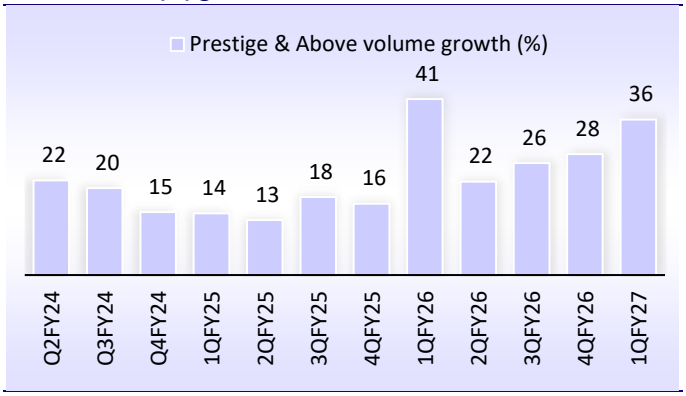
- Radico Khaitan (RDCK) continued to deliver robust P&A volume growth and strong operating performance in 1QFY27. Revenue grew 12% YoY to INR16.8b, with P&A value growth at 36%, while the regular portfolio declined 15%. RDCK raised its FY27 P&A volume growth guidance to >25% (vs. 20% earlier), reflecting strong momentum in the premium portfolio.
- GM expanded 610bp YoY to 49.1% (the highest in the last 21 quarters), driven by favorable raw material costs (+75bp), pricing (+75bp), and premiumization, partly offset by INR300m of higher packaging costs. EBITDA surged 50% YoY (est. 38%), while EBITDA margin expanded 530bp YoY to 20.7% (at an all-time high). Management upgraded its EBITDA margin guidance to 20% for FY27 (earlier 18.5%). Premiumization, operating efficiencies, and FTA are likely to support margin expansion. We model 19.9% and 20.6% EBITDA margins for FY27 and FY28.
- We continue to remain positive on RDCK, given its strong growth trajectory in the P&A segment and strategic expansion into premium and luxury portfolios. We believe the rich valuations are well-justified by its continued strong performance. We reiterate our BUY rating with a TP of INR5,000.

Research covered

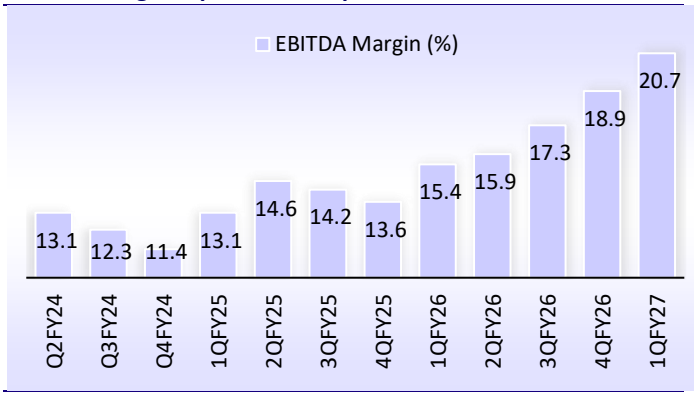
Cos/Sector	Key Highlights
Radico Khaitan	Growth excitement continues; positive revision in guidance
Maruti Suzuki	New Brezza launch to help sustain outperformance
Other Updates	Adani Ports & SEZ | Asian Paints | Eicher Motors | Dabur | Phoenix Mills | Bajaj Housing | Colgate Palmoliv. | P & G Hygiene | ERIS Lifescience | KPIT Tech. | Devyani Intl. | Vinati Organics | Equitas Small. Fin. | Financials - Capital Market | Automobiles | Prestige Estates | Balkrishna Inds. | Star Health Insu. | Piramal Pharma | ACME Solar Hold. | Syrma SGS Tech. | Craftsman Auto | MTAR Tech. | TBO Tek | MAS Fin. Ser. | Indostar Capital

Chart of the Day: Radico Khaitan (Growth excitement continues)

P&A volumes (%) grew 36% YoY in 1QFY27



EBITDA margin expanded 530bp YoY to 20.7% in 1QFY27



Research Team

Investors are advised to refer through important disclosures made at the last page of the Research Report.
Motilal Oswal research is available on www.motilaloswal.com/Institutional-Equities, Bloomberg, Thomson Reuters, Factset and S&P Capital.

In the news today

Kindly click on textbox for the detailed news link

1

L&T bags major EPC order from Kuwait Oil Company for export facilities

Larsen & Toubro said its energy business vertical has secured a major engineering, procurement and construction (EPC) order from Kuwait Oil Company (KOC) for its key Jurassic Light Oil (JLO) export facilities and the upgrade of the existing export network.

2

ACME Solar secures ₹3,404 crore PFC funding for 250 MW FDRE project

ACME Solar announced that it had secured ₹3,404 crore in long-term project funding from Power Finance Corporation (PFC) for the development and construction of its ACME Urja One Pvt Ltd Phase III 250 megawatt (MW) firm and dispatchable renewable energy (FDRE) project.

3

Inox Wind secures ₹1,600 crore order from NLC India for 200 MW project

Inox Wind Ltd (IWL) said it has secured a 200 MW order worth nearly ₹1,600 crore from NLC India Ltd. The project is scheduled to be commissioned within 24 months from the date of the Letter of Award (LoA), a company statement said.

4

BHEL bags order from Nigerian firm to supply 8 gas turbine generators

Bharat Heavy Electricals Ltd (BHEL) has secured an order from Nigeria's Dangote Petroleum Refinery and Petrochemicals Free Zone Enterprise for the supply and supervision of erection and commissioning of eight gas turbine generator packages.

5

Marvell to invest $250 million, double India workforce in 3 years

Marvell Technology said it will invest $250 million in India over the next three years to expand its technology, engineering talent and infrastructure. The investment comes as the U.S. semiconductor company marks 20 years of operations in India.

6

PNGRB plans to open city gas for external investors

The PNGRB plans to allow third-party capital investment in city gas distribution areas. This move aims to expand natural gas reach and promote infrastructure competition. The regulator will review pipeline authorization rules for capex-based bidding processes.

7

Irdai approves Patanjali Ayurved, DS Group's acquisition of Magma General

The Insurance Regulatory and Development Authority of India (Irdai) has approved the acquisition of Magma General Insurance by Patanjali Ayurved and DS Group from Adar Poonawalla-owned Sanoti Properties.

Radico Khaitan

Estimate change	↑
TP change	↑
Rating change	↔

Bloomberg	RDCK IN
Equity Shares (m)	134
M.Cap.(INRb)/(USDb)	586 / 6.1
52-Week Range (INR)	4350 / 2500
1, 6, 12 Rel. Per (%)	12/67/65
12M Avg Val (INR M)	1371

Financials & Valuations (INR b)

Y/E March	2026	2027E	2028E
Sales	60.5	70.4	80.0
Sales Gr. (%)	25	16	14
EBITDA	10.2	14.0	16.5
Margin (%)	16.9	19.9	20.6
PAT	6.1	9.0	11.0
EPS (INR)	45.3	67.3	81.9
EPS Gr. (%)	76	49	22
BV/Sh.(INR)	243	297	362
Ratios			
RoE (%)	18.7	22.7	22.6
RoCE (%)	20.3	26.3	28.7
Payout (%)	8.8	20.0	20.0
Valuations			
P/E (x)	96.5	64.9	53.4
P/BV (x)	18.0	14.7	12.1
EV/EBITDA (x)	57.4	41.7	35.0

Shareholding Pattern (%)

As On	Jun-26	Mar-26	Jun-25
Promoter	40.2	40.2	40.2
DII	28.1	27.4	26.0
FII	18.2	17.6	17.8
Others	13.5	14.8	16.0

FII includes depository receipts

CMP: INR4,374 TP: INR5,000 (+14%) Buy

Growth excitement continues; positive revision in guidance

- Radico Khaitan (RDCK) continued to deliver robust P&A volume growth and strong operating performance in 1QFY27. Revenue grew 12% YoY to INR16.8b, with P&A value growth at 36%, while the regular portfolio declined 15%. P&A sustained industry-leading performance, with volumes surging 36% YoY to 5.2m cases (est: 4.6m). The regular portfolio's volumes declined 15% YoY to ~4.6m cases due to a high base (led by AP-route-to-market change in the base) and the impact of policy changes in Karnataka and Maharashtra. Non-IMFL revenue declined 3% due to lower bulk alcohol sales.
- RDCK raised its FY27 P&A volume growth guidance to >25% (vs. 20% earlier), reflecting strong momentum in the premium portfolio. Management highlighted that Karnataka's excise policy is favorable for premium brands, with RDCK's P&A volumes growing 83% in 1QFY27 compared to 9% industry growth. In Maharashtra, MML volumes have stabilized at 0.6–0.7m cases, with the company holding a 7–8% market share through its JV, Radico NV Distilleries Maharashtra Limited (RNVDML). The company is targeting a 10-15% market share in the category over the medium term.
- GM expanded 610bp YoY to 49.1% (the highest in the last 21 quarters), driven by favorable raw material costs (+75bp), pricing (+75bp), and premiumization, partly offset by INR300m of higher packaging costs. EBITDA surged 50% YoY (est. 38%), while EBITDA margin expanded 530bp YoY to 20.7% (at an all-time high). Management upgraded its EBITDA margin guidance to 20% for FY27 (earlier 18.5%). Premiumization, operating efficiencies, and FTA are likely to support margin expansion. We model 19.9% and 20.6% EBITDA margins for FY27 and FY28.
- We continue to remain positive on RDCK, given its strong growth trajectory in the P&A segment and strategic expansion into premium and luxury portfolios. The luxury segment is witnessing strong growth, generating INR4.7b in revenue in FY26. It is expected to deliver >25% growth in FY27. With a continued focus on premiumization, operating leverage, and broad-based geographic expansion, RDCK has delivered industry-leading growth. We believe the rich valuations are well-justified by its continued strong performance. We reiterate our BUY rating with a TP of INR5,000.

Robust 50% EBITDA growth; exciting guidance upgrade

- **Double-digit sales growth continues:** Standalone net sales continued the healthy growth momentum, increasing 12% YoY to INR16.8b (est. INR17.2b) in 1QFY27. P&A volumes grew 36% YoY to 5.2m cases (est: 4.6m), while overall IMFL volumes grew 3% YoY (est. 9%). Regular portfolio volumes declined 15% YoY to 4.6m cases on a high base (52% in 1QFY26), led by the elevated base of 1QFY26 following the route-to-market change in Andhra Pradesh and the impact of policy changes in Maharashtra and Karnataka. Meanwhile, Royalty cases declined 63% YoY to 0.2m cases. IMFL revenue growth stood at 18% YoY, led by the premium portfolio. Non-IMFL revenue

declined 3% YoY, driven by higher captive consumption and lower bulk alcohol sales in 1QFY27.

- **EBITDA rose by a solid 50% YoY:** Gross margin expanded 610bp YoY (+110bp QoQ) to 49.1% (the highest in the last 21 quarters), backed by a relatively benign raw material scenario (RM benefit + 75bp YoY) and premiumization. This was despite recent volatility in packing material prices, which impacted RDCK by ~INR300m. Despite the West Asia crisis, RDCK remains confident of its margin expansion trajectory in FY27. Employee costs rose 24%, other expenses rose 7%, while S&D rose 23% YoY. Management highlighted that A&SP was 6.9% of IMFL sales in 1QFY27 compared to 5.8% in 1QFY26. It expects to maintain A&SP spend at around 6-8% of IMFL revenue. EBITDA margin expanded 530bp YoY to 20.7% (the highest ever), benefiting from robust GM expansion.
- **Strong growth in profitability:** EBITDA rose by a robust 50% YoY (est. 38%). Interest costs declined 27% YoY, driven by a reduction in debt. Net debt reduced to INR1.06b (vs INR2.4b in 4QFY26), implying a reduction of INR1.38b since March 2026. The company aims to become net debt-free by 2QFY27. PBT and APAT grew 63%/61% YoY in 1QFY27.

Highlights from the management commentary

- Vodka's share in the Indian spirits industry increased from 4.6% in 1QFY26 to 6.0% in 1QFY27. The category expanded at over 20% CAGR during FY22-26, significantly ahead of the broader IMFL industry.
- Magic Moments recorded 3.25m cases in 1Q, delivering 43% YoY volume growth, while value growth stood at 51%. The growth was led by consumer demand, with no channel loading.
- With the Indian-UK FTA agreement, management expects retail prices to decline 7-8%, limiting the competitive impact.
- Annual maintenance capex is expected to remain at INR1.5–1.7b.

Valuation and view

- We raise our EPS estimates by 11% for FY27 and 8% for FY28, backed by continued strong volume growth and a beat on margins.
- Management remains committed to steadily reducing its debt, supported by healthy free cash flow generation. Net debt has declined INR1.38b since Mar'26, with INR1.06b of debt remaining as of Jun'26. Management targets a net debt-free balance sheet by 2QFY27.
- RDCK remains focused on accelerating premium and luxury growth, while driving greater efficiency across operations with disciplined capital allocation.
- The company's P&A sales were ~15% of UNSP's P&A sales in FY19. This share has now increased to ~30% (as of FY26), and we expect it to further expand going forward. The valuation gap with UNSP has narrowed significantly, reflecting market recognition of RDCK's brand strength and execution capabilities.
- RDCK is currently trading at 65x/53x FY27E/FY28E P/E, with an RoE/RoIC of 23%/26% in FY27E. We believe a ~34% EPS CAGR over FY26-28E provides adequate support for sustaining rich valuations. We value the company at 60x P/E on Mar'28E EPS to derive a TP of INR5,000.

Standalone Quarterly Performance (INR m)

Y/E March	FY26				FY27E				FY26	FY27E	FY27E	Var.
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	(%)
IMFL volume growth %	**37.5**	**37.7**	**16.6**	**4.0**	**2.9**	**6.1**	**10.5**	**18.8**	**22.2**	**9.5**	**9.0**	
P&A volume growth (%)	**40.7**	**21.6**	**25.9**	**27.9**	**35.9**	**25.0**	**25.0**	**34.6**	**28.5**	**30.0**	**20.0**	
Regular volume growth (%)	**51.8**	**79.4**	**32.8**	**-10.2**	**-14.9**	**-10.0**	**-5.0**	**4.2**	**31.0**	**-6.8**	**2.0**	
Total revenues	**15,060**	**14,939**	**15,467**	**15,037**	**16,837**	**16,572**	**18,287**	**18,755**	**60,504**	**70,450**	**17,206**	**-2%**
YoY change (%)	32.5	33.8	19.5	15.3	11.8	10.9	18.2	24.7	24.7	16.4	14.2	
Gross Profit	**6,477**	**6,520**	**7,194**	**7,218**	**8,268**	**8,037**	**8,778**	**9,438**	**27,409**	**34,520**	**8,001**	**3%**
Margin (%)	*43.0*	*43.6*	*46.5*	*48.0*	*49.1*	*48.5*	*48.0*	*50.3*	*45.3*	*49.0*	*46.5*	
EBITDA	**2,322**	**2,376**	**2,672**	**2,845**	**3,489**	**3,136**	**3,466**	**3,893**	**10,215**	**13,984**	**3,198**	**9%**
Margins (%)	*15.4*	*15.9*	*17.3*	*18.9*	*20.7*	*18.9*	*19.0*	*20.8*	*16.9*	*19.9*	*18.6*	
EBITDA growth (%)	*55.8*	*45.6*	*45.2*	*60.2*	*50.3*	*32.0*	*29.7*	*36.8*	*51.6*	*36.9*	*37.8*	
Depreciation	363	374	372	422	412	415	420	430	1,530	1,677	410	
Interest	159	163	164	154	117	120	100	106	640	443	140	
Other income	47	24	26	58	54	40	40	41	154	175	50	
PBT	**1,846**	**1,863**	**2,162**	**2,327**	**3,014**	**2,641**	**2,986**	**3,398**	**8,199**	**12,039**	**2,698**	**12%**
Tax	443	474	515	576	754	663	749	858	2,008	3,024	677	
Rate (%)	24.0	25.4	23.8	24.7	25.0	25.1	25.1	25.2	24.5	25.1	25.1	
Extraordinary inc/(Exp)	-70	0	-96	0	0	0	0	0	-166	0	0	
Reported PAT	**1,473**	**1,390**	**1,742**	**1,752**	**2,260**	**1,978**	**2,237**	**2,540**	**6,356**	**9,015**	**2,021**	**12%**
Adj.PAT	**1,403**	**1,390**	**1,647**	**1,752**	**2,260**	**1,978**	**2,237**	**2,540**	**6,066**	**9,015**	**2,021**	**12%**
YoY change (%)	83.9	69.1	71.6	93.1	61.1	42.4	35.8	45.0	75.7	48.6	44.0	

E: MOFSL Estimate

Maruti Suzuki

BSE SENSEX	S&P CNX
77,655	24,250

MARUTI SUZUKI

Bloomberg	MSIL IN
Equity Shares (m)	314
M.Cap.(INRb)/(USDb)	4385.3 / 45.8
52-Week Range (INR)	17372 / 12201
1, 6, 12 Rel. Per (%)	3/1/14
12M Avg Val (INR M)	6881

Financials &Valuations (INR b)

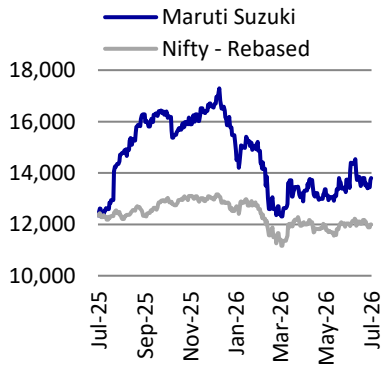
Y/E MARCH	2026	2027E	2028E
Sales	1,833	2,195	2,486
EBITDA	215	245	302
Adj. PAT	144	165	206
EPS (INR)	459	524	656
EPS Gr. (%)	1.0	14.0	25.2
BV/Sh. (INR)	3,343	3,717	4,213
Ratios			
RoE (%)	13.7	14.1	15.6
RoCE (%)	18.0	18.3	20.2
Payout (%)	32.6	30.5	30.5
Valuations			
P/E (x)	30.3	26.6	21.3
P/BV (x)	4.2	3.8	3.3
EV/EBITDA (x)	16.9	14.4	11.4
Div. Yield (%)	1.1	1.1	1.4

Shareholding pattern (%)

As On	Jun-26	Mar-26	Jun-25
Promoter	58.7	58.5	58.3
DII	25.2	24.2	23.3
FII	12.8	14.1	15.2
Others	3.4	3.2	3.2

FII includes depository receipts

Stock Performance (one-year)



CMP: INR 13,948 TP: INR17,059 (+22%) Buy

New Brezza launch to help sustain outperformance

Maruti Suzuki (MSIL) launched the updated Brezza in India on 24th July 2026, priced from INR 0.74-1.37m, ex-showroom. We outline below the key changes in this model relative to its older variant and explain why this is a critical upgrade for MSIL.

What has changed?

The most significant change is the addition of a 998cc Boosterjet turbo-petrol engine, offering Brezza a more performance-oriented option that also qualifies for the lower 18% GST rate (vs 40% for the 1.5-liter option). The existing 1.5-liter naturally aspirated petrol and factory-fitted CNG powertrains continue, but both now feature six-speed manual transmissions. The facelift also introduces a larger 10.1-inch infotainment system, ventilated seats, improved connected-car technology, and an underbody-mounted CNG cylinder that frees up luggage space. In addition, the model has received a five-star Bharat NCAP rating for both adult and child occupant protection. While six airbags were originally limited to higher variants of the second-generation model, they are now standard across the range in the 2026 facelift.

What has stayed the same?

The 2026 model continues with the same compact, upright SUV body introduced with the second-generation model in 2022. The existing 1,462cc K15C petrol engine continues to be a central part of the Brezza range. The old Brezza already offered an electric sunroof, head-up display, 360-degree camera, wireless charging, SmartPlay infotainment, Suzuki Connect, and rear AC vents, although several of these have been upgraded in the facelift.

Our view

Post GST rate cuts, the compact SUV segment had received a sharp boost in demand relative to other segments. MSIL's Brezza was unable to capture this well given the relative GST differential; for Brezza, GST came down to 40% from earlier 45%, while the same for competing products (Venue/Nexon, which were in the 1.2-liter category) came down from 28% to 18%. With the introduction of the 1-liter booster jet engine, Brezza will also qualify for the lower 18% GST, which would help it compete effectively with peers. The underbody CNG kit is also a meaningful change, as it frees up critical boot space. The five-star NCAP rating further strengthens customer confidence in the vehicle's safety. With this upgrade, we expect Brezza to ramp up its volumes to around 20K per month from the current ~15k per month levels. Supported by this, a revival in small cars, and its healthy new launch pipeline, we expect MSIL to sustain its outperformance in the coming quarters. A sustained market share recovery is likely to, in turn, drive a re-rating of the stock, in our view. Further, following a relatively weak 1Q, margins are expected to normalize, given the moderating raw material costs and steady volume growth. We expect MSIL to deliver a 20% earnings CAGR over FY26-28. We reiterate our BUY rating with a TP of INR17,059, valued at 26x FY28E EPS.

Adani Ports & SEZ

Estimate change	⟷
TP change	⟷
Rating change	⟷

Bloomberg	ADSEZ IN
Equity Shares (m)	2304
M.Cap.(INRb)/(USDb)	3962.1 / 41.4
52-Week Range (INR)	1892 / 1291
1, 6, 12 Rel. Per (%)	-4/26/25
12M Avg Val (INR M)	4287

Financial Snapshot (INR b)

Y/E MARCH	2026	2027E	2028E
Sales	387	449	526
EBITDA	229	261	317
Adj. PAT	136	146	199
EBITDA Margin (%)	59.0	58.0	60.3
Adj. EPS (INR)	59	63	86
EPS Gr. (%)	17.9	7.3	35.8
BV/Sh. (INR)	417	471	544
Ratios			
Net D:E	0.5	0.4	0.3
RoE (%)	17.2	14.3	17.0
RoCE (%)	12.4	11.1	13.1
Payout (%)	11.8	11.0	8.1
Valuations			
P/E (x)	29.1	27.1	19.9
P/BV (x)	4.1	3.7	3.2
EV/EBITDA(x)	19.4	16.8	13.6
Div. Yield (%)	0.4	0.4	0.4
FCF Yield (%)	1.3	2.3	2.5

Shareholding pattern (%)

As On	Jun-26	Mar-26	Jun-25
Promoter	66.0	68.0	65.9
DII	13.6	13.9	15.1
FII	15.6	13.3	13.5
Others	4.8	4.9	5.5

FII includes depository receipts

CMP: INR1,720 TP: INR2,130 (+24%) Buy

Steady quarter; long-term outlook remains strong

- Adani Ports & SEZ (APSEZ) reported revenue growth of ~19% YoY to INR108b in 1QFY27 (in line). Cargo volumes grew 15% YoY to 138.1mmt, driven by international volume.
- EBITDA margin came in at 60.4% vs. our estimate of 57.8% (+20bp YoY, +430bp QoQ). EBITDA grew ~19% YoY to INR65b (5% above our estimate), while APAT increased ~10% YoY to INR37b.
- Its all-India cargo market share stood at 27.6% in 1QFY27 (vs. 27.8% in 1QFY26). Its container segment market share stood at 44.8% (vs 45.2% in 1QFY26).
- Domestic port revenue/EBITDA stood at INR69.6b (12% YoY)/INR51.5b (11% YoY). International port revenue/EBITDA stood at INR17.5b (80% YoY)/ INR7.3b (256% YoY). Logistics revenue/EBITDA stood at INR11.7b (flat YoY)/ INR2.2b (3% YoY).
- APSEZ delivered a steady performance in 1QFY27, supported by strong growth in its international port operations following the consolidation of NQXT from 4QFY26. While domestic cargo volumes remained subdued due to temporary disruptions at certain ports, the company reported an expansion in EBITDA margins, aided by a favorable cargo mix, improved operating efficiencies, a higher contribution from value-added ancillary services and a strong EBITDA contribution from international ports.
- Overall, the company remains well-positioned to outpace broader industry growth, supported by ongoing capacity additions and expansion into value-added segments such as logistics. We broadly retain our FY27 and FY28 estimates and expect APSEZ to post 11% growth in cargo volumes over FY26-28. This would drive a CAGR of 17%/18%/21% in revenue/EBITDA/PAT over FY26-28E. **We reiterate our BUY rating with a TP of INR2,130 (premised on 17x FY28E EV/EBITDA).**

Performance led by strong growth in the international port segment

- APSEZ handled 138.1 MMT of cargo in 1QFY27, up 15% YoY, driven by growth in international volumes. Mundra Port contributed 37%/51.2% to total volume/domestic volume in 1QFY27 (vs. 40%/48% in 1QFY26), marking diversification across ports.
- Domestic cargo volume grew 2% YoY to 115.3MMT, while international cargo volume rose 196% YoY from 7.7MMT to 22.8MMT, driven by the consolidation of NQXT and Colombo terminals.
- Revenue from domestic ports grew 12% YoY to INR69b, driven by a better product mix, premium/emergency service charges during the Middle East disruptions, and growth in ancillary port services leading to higher realizations. EBITDA margins stood at 74% (vs. 74.8% in 1QFY26).
- Revenue from international ports rose 80% YoY to INR17.5b, and EBITDA grew 256% YoY, fueled by the consolidation of NQXT and better operations at the Colombo Port.

Logistics segment saw muted performance; marine businesses remained strong

- Logistics revenue was flat YoY at INR11.7b, impacted by lower rail volume by 19% due to the ongoing Middle East crisis, while asset-light trucking and international freight network service revenue rose 26% YoY and 28% QoQ (representing 53% of 1QFY27 logistics revenue vs. 50% in 1QFY26). RoCE rose to 10% in FY26 vs. 6% in FY25.
- Marine business revenue grew 67% YoY to INR9b, while EBITDA grew 6% YoY to INR4b, driven by an increase in the vessel count from 118 (Jun'24) to 135 (Jun'26). The ramp-up reflects APSEZ's aggressive expansion and consolidation in marine services.
- As of Jun'26, APSEZ strengthened its integrated logistics network with a total rake count of 132. It operates 12 multi-modal logistics parks (MMLPs) and has expanded its warehousing capacity to 3.1m sqft. Agri silo capacity rose to 1.4MMT, with expansion already in place to take the capacity to 4MMT.

Key highlights from the management commentary

- Krishnapatnam volumes were impacted by the temporary shutdown of a key customer plant, leading to a loss of around 2-2.5 MMT during the quarter. Management expects recovery after the plant resumes operations.
- Mundra registered 7% volume growth after recovery in imported coal volumes as a major customer power plant resumed operations.
- Middle East disruptions significantly affected container operations in April-May.
- Israel remains the swing factor for international margins due to the ongoing geopolitical situation.
- APSEZ maintained its target of handling ~1b MT cargo by FY31.
- Rail logistics service was impacted by weak Morbi tile exports and cargo shifting from containers to breakbulk because of higher freight costs.
- Management has maintained its revenue and EBITDA guidance of INR430-450b and INR250-260b, respectively, for FY27.

Valuation and view

- With strong cash flows, a healthy cash balance of INR124b, and a net debt-to-EBITDA ratio of 1.9x, APSEZ is well-positioned for further expansion. Capacity enhancements at key ports, ongoing infrastructure projects, and global port acquisitions provide visibility for sustainable growth in FY27 and beyond.
- **We broadly retain our FY27 and FY28 estimates and expect APSEZ to post 11% growth in cargo volumes over FY26-28. This would drive a CAGR of 17%/18%/21% in revenue/EBITDA/PAT over FY26-28E. We reiterate our BUY rating with a TP of INR2,130 (premised on 17x FY28E EV/EBITDA).**

Quarterly Snapshot - Consolidated (INR b)

Y/E March	FY26				FY27E				FY26	FY27E	FY27	Var.
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	vs Est
Net Sales	**91**	**92**	**97**	**107**	**108**	**107**	**112**	**122**	**387**	**449**	**108**	**1**
YoY Change (%)	31.2	29.7	21.9	26.5	18.6	17.0	15.3	13.7	27.1	16.0	17.8	
EBITDA	**55**	**56**	**58**	**60**	**65**	**61**	**64**	**71**	**229**	**261**	**62**	**5**
Margins (%)	60.2	60.5	59.6	56.1	60.4	56.5	57.0	58.2	59.0	58.0	57.8	
Depreciation	13	13	14	16	17	17	17	18	55	70	16	
Interest	8	8	8	14	10	10	11	12	38	43	13	
Other Income	3	8	2	8	9	6	6	5	21	25	6	
PBT before EO expense	**38**	**43**	**38**	**38**	**47**	**40**	**41**	**46**	**156**	**173**	**39**	**20**
Extra-Ord expense	1	4	3	3	1	0	0	0	10	1	0	
PBT	**37**	**39**	**35**	**35**	**46**	**40**	**41**	**46**	**146**	**173**	**39**	
Tax	5	6	6	4	7	6	6	6	21	24	6	
Rate (%)	14.6	14.6	16.2	11.2	14.3	14.2	14.2	14.0	14.2	14.2	14.2	
MI and Associates	-2	2	-1	-2	3	0	0	0	-3	3	0	
Reported PAT	**33**	**31**	**31**	**33**	**36**	**34**	**36**	**40**	**128**	**146**	**33**	
Adj PAT	**34**	**34**	**33**	**36**	**37**	**34**	**36**	**40**	**136**	**146**	**33**	**10**
YoY Change (%)	27.7	38.7	22.9	16.2	9.8	-0.6	8.2	11.7	25.8	7.3	-0.5	

Asian Paints

Estimate change	⟷
TP change	⟷
Rating change	⟷

Bloomberg	APNT IN
Equity Shares (m)	959
M.Cap.(INRb)/(USDb)	2645.9 / 27.7
52-Week Range (INR)	2986 / 2115
1, 6, 12 Rel. Per (%)	3/19/17
12M Avg Val (INR M)	3397

Financials & Valuations (INR b)

Y/E March	2026	2027E	2028E
Sales	355.8	409.7	453.5
Sales Gr. (%)	4.9	15.1	10.7
EBITDA	67.0	78.4	87.8
EBIT Margin (%)	18.8	19.1	19.4
Adj. PAT	44.8	54.1	60.8
Adj. EPS (INR)	46.7	56.4	63.4
EPS Gr. (%)	11.2	20.6	12.4
BV/Sh.(INR)	222.8	245.4	270.7
Ratios			
RoE (%)	22.0	24.1	24.6
RoCE (%)	18.4	20.0	20.8
Payout (%)	87.7	72.7	64.7
Valuation			
P/E (x)	58.1	48.2	42.8
P/BV (x)	12.2	11.1	10.0
EV/EBITDA (x)	38.0	32.4	28.9
Div. Yield (%)	1.5	1.5	1.5

Shareholding Pattern (%)

As On	Jun-26	Mar-26	Jun-25
Promoter	52.6	52.6	52.6
DII	20.8	21.8	21.0
FII	13.4	12.2	11.9
Others	13.2	13.4	14.4

FII includes depository receipts

CMP: INR2,758 TP: INR3,050 (+11%) Neutral

Revenue in line; beat on margins

- Asian Paints (APNT) reported 18% YoY consolidated revenue growth in 1QFY27 (vs. flat growth in 1QFY26), while standalone revenue grew 17% YoY. Domestic decorative volumes increased 9% YoY (est. 12%), partly impacted by channel up-stocking ahead of price hikes in 4Q. Management indicated that demand was healthy during the quarter and there was no meaningful inventory build-up. It expects demand to remain healthy in 2Q, supported by the festive season, and reiterated its FY27 volume growth guidance of 8–10%. International business delivered strong 27% YoY (20% in CC terms).
- Gross margin expanded 90bp YoY to 43.6% (est. 42.4%), aided by low-cost inventory carried over from the last quarter. The company witnessed 25% RM inflation and a 7-8% weighted average price increase (~4% realized pricing and ~3% favorable mix in 1Q). It implemented ~12% calibrated price hikes during the quarter and may take further pricing actions if needed. Realizations will depend on the product mix, as price hikes varied across categories. Management expects a weighted average price hike of 8-9% in 2QFY27, while 2HFY27 will depend on raw material inflation.
- EBITDA margin expanded 240bp YoY to 20.6% (est. 18.4%), driven by operating leverage. EBITDA increased 34% YoY to INR21.7b (est. INR19.2b). However, the higher-cost inventory is likely to weigh on margins in 2Q. Management maintained its FY27 EBITDA margin guidance of 18-20%, supported by premiumization, cost savings, and backward integration benefits. We model 20.4%/20.6% standalone and 19.1%/19.4% consolidated EBITDA margins for FY27/FY28.
- Given the volatile geopolitical backdrop, inflationary pressures are likely to remain elevated. Price hikes are reshaping the P&L structure, with revenue growth expected to remain strong, supported by double-digit price hikes. However, given the input cost inflation and stiff competition, margin expansion is likely to remain muted in the near term. The c**ompany is focusing on product innovation, brand salience, regionalization, and execution excellence to negate competitive pressure. We reiterate our Neutral rating with a TP of INR3,050.**

Healthy 9% volume growth; beat on margins

- **Domestic volume up 9%:** APNT reported consol. net sales growth of 18% YoY to INR105.4b. (est. INR104.1b). Decorative business (India) clocked value growth of 17% and volume growth of 9% (est. 12%, 12% in 4QFY26). Industrial segment clocked mid-teen growth (+16% YoY). The bath business declined 4% and the kitchen business revenue grew 10%. White Teak business revenue declined 7%, while Weather Seal revenue rose 11%.
- **International witnessed strong momentum:** International business registered a value growth of 27% (20% growth in CC terms), backed by steady performance in Egypt, UAE, Oman, Nepal, and Bangladesh.
- **Better margin delivery**: Gross margin expanded 90bp YoY to 43.6% (est. 42.4%). GP grew 20% YoY to INR46b (est. INR44.2b). Employee expenses rose 12% YoY, while other expenses rose 10% YoY. EBITDA margin expanded 240bp YoY to 20.6% (est. 18.4%).

- **Robust growth in profitability**: EBITDA grew 33% YoY to INR21.7b (est. INR19.2b). PBT grew 40% YoY to INR20.6b (est. INR17.1b). Adj. PAT grew 40% YoY to INR15.4b (est. INR12.9b).

Key highlights from the management commentary

- Recent supply chain disruptions benefited larger organized players. The company's strong supply chain and extensive distribution network enabled it to capture incremental demand while smaller players faced supply constraints. As a result, the company is expected to outpace industry growth.
- Growth in rural markets and the B2B segment helped offset relatively weaker demand in Tier-1 and Tier-2 cities, and the company believes demand could have reached double-digit growth under more favorable conditions.
- New products contributed to ~17% of overall revenues. New launches are more focused on premium and luxury segments. Innovation revenue includes products launched over the last three years. New launches span emulsions, construction chemicals, waterproofing, and premium/luxury offerings.
- The VAM-VAE project remains on track, with the first phase expected to be commissioned in 2QFY27. It has an annual production capacity of 1,00,000MT (VAM) and 1,50,000MT (VAE). Management highlighted that the project should continue delivering 300–500bp of gross margin benefit for products utilizing the in-house emulsion, although the exact benefit will depend on sourcing economics and product formulations.

Valuation and view

- We increase our EPS estimates by 3% for FY27 and FY28, supported by better delivery of margins.
- Given the volatile geopolitical backdrop, inflationary pressures are likely to remain elevated. Price hikes are reshaping the P&L structure, with revenue growth expected to remain strong, supported by a double-digit price hike. However, given the input cost inflation and stiff competition, margins could remain under pressure for the near term. The c**ompany is focusing on product innovation, brand salience, regionalization, and execution excellence to negate competitive pressure.**
- **We model 9% volume and 16% standalone revenue growth for FY27. Management maintains EBITDA margin guidance of 18-20%, supported by** premiumization, cost efficiencies, and backward integration benefits**.** We model 20.4%/20.6% standalone and 19.1%/19.4% consolidated EBITDA margins for FY27/FY28**. We value the company at 50x FY28E EPS to arrive at a TP of INR3,050. We reiterate our Neutral rating.**

Quarterly Performance (Consol.) (INR m)

Y/E March	FY26				FY27E				FY26	FY27E	FY27E	Var.
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	(%)
Est. Dom. Deco. Vol. growth (%)	**3.9**	**10.9**	**8.0**	**12.4**	**9.0**	**7.0**	**9.0**	**9.0**	**8.7**	**8.7**	**12.0**	
Net Sales	**89,386**	**85,313**	**88,670**	**92,467**	**105,419**	**96,301**	**102,369**	**105,593**	**355,835**	**409,682**	**104,118**	**1.2**
Change (%)	-0.3	6.3	3.7	10.6	17.9	12.9	15.4	14.2	4.9	15.1	16.5	
Gross Profit	**38,155**	**36,849**	**39,382**	**41,432**	**45,955**	**40,665**	**44,902**	**47,067**	**155,818**	**178,588**	**44,195**	
Gross Margin (%)	42.7	43.2	44.4	44.8	43.6	42.2	43.9	44.6	43.8	43.6	42.4	
EBITDA	**16,250**	**15,034**	**17,810**	**17,866**	**21,688**	**16,464**	**19,957**	**20,322**	**66,959**	**78,431**	**19,157**	**13.2**
Margin (%)	18.2	17.6	20.1	19.3	20.6	17.1	19.5	19.2	18.8	19.1	18.4	
Change (%)	-4.1	21.3	8.8	24.4	33.5	9.5	12.1	13.7	11.5	17.1	17.9	
Interest	445	439	479	591	478	550	650	705	1,954	2,383	700	
Depreciation	3,009	3,049	3,131	3,100	3,042	3,200	3,250	3,385	12,289	12,877	3,150	
Other Income	1,928	1,986	1,610	1,714	2,409	2,000	1,900	1,798	7,238	8,107	1,800	
PBT	**14,724**	**13,532**	**15,810**	**15,889**	**20,576**	**14,714**	**17,957**	**18,030**	**59,955**	**71,278**	**17,107**	**20.3**
Tax	3,917	3,733	4,152	4,286	5,363	3,679	4,489	4,645	16,088	18,176	4,362	
Effective Tax Rate (%)	26.6	27.6	26.3	27.0	26.1	25.0	25.0	25.8	26.8	25.5	25.5	
PAT before MI & extraordinary	**10,807**	**9,799**	**11,658**	**11,603**	**15,213**	**11,036**	**13,468**	**13,385**	**43,867**	**53,102**	**12,744**	**19.4**
Profit from associates and MI	190	137	517	119	180	8	268	530	963	963	114	
Adjusted PAT	**10,998**	**9,936**	**12,175**	**11,721**	**15,393**	**11,044**	**13,736**	**13,915**	**44,830**	**54,064**	**12,859**	**19.7**
Change (%)	-6.0	13.6	9.6	33.9	40.0	11.2	12.8	18.7	11.2	20.6	16.9	
Exceptional / Prior Period items	-	0.0	(1576.1)	0.0	-	0.0	0.0	0.0	(1,576)			
Reported PAT	**10,998**	**9,936**	**10,599**	**11,721**	**15,393**	**11,044**	**13,736**	**13,915**	**43,254**	**54,064**	**12,859**	**19.7**

E: MOFSL Estimates

Eicher Motors

Estimate changes	⟷
TP change	⟷
Rating change	⟷

Bloomberg	EIM IN
Equity Shares (m)	274
M.Cap.(INRb)/(USDb)	2135.3 / 22.3
52-Week Range (INR)	8233 / 5353
1, 6, 12 Rel. Per (%)	3/15/44
12M Avg Val (INR M)	4021

Financials & Valuations (INR b)

Y/E March	FY26	FY27E	FY28E
Sales	234.1	288.5	327.4
EBITDA	57.9	70.9	81.2
Adj. PAT	55.2	63.0	72.1
Adj EPS (INR)	202.6	229.8	262.9
EPS Gr (%)	17.3	13.4	14.4
BV/Sh (INR)	915	1,053	1,210
Ratios			
RoE (%)	24.0	23.4	23.2
RoCE (%)	23.3	22.7	22.7
Payout (%)	40.8	40.0	40.3
Valuations			
P/E (x)	38.4	33.9	29.6
P/BV (x)	8.5	7.4	6.4
Div. Yield (%)	1.1	1.2	1.4
FCF Yield (%)	1.7	2.1	2.6

Shareholding Pattern (%)

As On	Jun-26	Mar-26	Jun-25
Promoter	49.0	49.1	49.1
DII	16.1	14.8	15.8
FII	25.5	26.8	25.8
Others	9.4	9.3	9.3

FII includes depository receipts

CMP: INR7,779 **TP: INR7,598 (-2%)** **Neutral**

Steady quarter

Domestic demand remains healthy, exports uncertain

- Eicher Motors' (EIM) 1QFY27 consolidated PAT of INR14.6b was in line with our estimates. While RE earnings were in line with estimates, VECV earnings came in 13% above estimates on the back of strong margin performance.
- We project RE to record a 14% volume CAGR over FY26-28E. We expect the domestic business to deliver a 15% CAGR, though exports are likely to post a much lower 5% CAGR, that too largely back-ended. Given management's focus on volume growth and the recent surge in input costs, we expect margins to remain under pressure. Overall, we expect EIM to post a 14% earnings CAGR over FY26-28E. At 34x/29.6x FY27E/FY28E, the stock appears fairly valued. Reiterate Neutral with a TP of INR7,598. We value RE at 30x FY28E EPS and VECV at 12x EV EBITDA.

Earnings in line with estimates

- Consolidated revenue grew 32% YoY to INR66.3b (5% above est), aided by strong volume growth from the RE and VECV businesses. RE realizations were marginally higher YoY at INR189k (+2), while VECV realization grew ~1.5% YoY in 1Q.
- Consolidated EBITDA margin was largely flat YoY at 24% (down 90bp QoQ), 60bp higher than est.
- Standalone margin declined 80bp YoY to 24.3% due to RM inflation (in line). Standalone PAT was up 15% YoY at INR15b (in line).
- VECV EBITDA margin declined 80bp YoY to 8.2% (above our est. of 7.8%) and recurring PAT grew 4% YoY to INR3b (above our est. of INR2.7b).
- Recurring PAT for the consolidated entity grew ~21% to INR14.6b (in line).

Key highlights from the management commentary

- Dealer inventory stood at only 10-12 days as of 1Q end because retail demand was higher than production. A further four to five days' worth of stock is typically held in depots and transit. The company is increasing direct billing to dealers to reduce the time spent in depots and secondary transportation.
- Despite a higher base in 2H, management expects volume momentum to continue in the coming quarters on the back of enquiry and booking growth, lean inventory, planned product interventions, renewed marketing activity, and the planned production ramp-up.
- Impact from commodity headwinds stood at ~4.5% of revenue, mainly attributed to higher aluminum, steel, copper, crude-linked inputs, precious metals and related processing costs. This was offset by a price increase of 1.75% in Apr'26 (benefit of 1.2% of revenue) during 1Q and benefit of 40bp from value engineering.

- The first brownfield expansion module in Cheyyar became operational in July, taking the total capacity to 1.5m units per year. By the end of this brownfield expansion by FY28, the total capacity would rise to 2m units pa. The board also approved investment of INR12.25b for the first phase of a greenfield manufacturing facility in Andhra Pradesh, which will take the total installed capacity to approximately 2.45m motorcycles pa by FY30.

Valuation and view

We project RE to record a 14% volume CAGR over FY26-28E. We expect the domestic business to deliver a 15% CAGR, though exports are likely to post a much slower 5% CAGR, that too largely back-ended. Given management's focus on volume growth and the recent surge in input costs, we expect margins to remain under pressure. Overall, we expect EIM to post a 14% earnings CAGR over FY26-28E. At 34x/29.6x FY27E/FY28E, the stock appears fairly valued. Reiterate Neutral with a TP of INR7,598. We value RE at 30x FY28E EPS and VECV at 12x EV EBITDA.

Quarterly performance (Consolidated) (INR m)

INR m	FY26				FY27E				FY26	FY27E	1QE	VAR
Y/E March	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE				(%)
Net Operating income	**50,418**	**61,716**	**61,140**	**60,801**	**66,324**	**72,212**	**75,234**	**74,689**	**2,34,076**	**2,88,458**	**63,370**	4.7
Growth (%)	14.8	44.8	22.9	16.0	31.5	17.0	23.1	22.8	24.0	23.2	26	
EBITDA	**12,028**	**15,119**	**15,567**	**15,137**	**15,906**	**17,427**	**18,591**	**18,977**	**57,851**	**70,901**	**14,837**	7.2
EBITDA Margins (%)	23.9	24.5	25.5	24.9	24.0	24.1	24.7	25.4	24.7	24.6	23.4	
Change (%)	3.2	39.0	29.6	20.4	32.2	15.3	19.4	25.4	22.8	22.6	23.4	
PAT	**10,481**	**12,345**	**12,377**	**11,971**	**12,950**	**13,480**	**14,186**	**14,392**	**47,174**	**55,009**	**12,755**	1.5
Share of JV Loss/(PAT)/ Min. Int.	-1,571	-1,349	-1,829	-3,229	-1,675	-1,519	-1,913	-2,918	-7,978	-8,024	-1,443	
Recurring PAT	**12,052**	**13,695**	**14,294**	**15,200**	**14,625**	**14,999**	**16,099**	**17,310**	**55,567**	**63,033**	**14,197**	3.0
Growth (%)	9.4	24.5	22.1	11.6	21.3	9.5	12.6	13.9	17.4	13.4	17.8	
Standalone (Royal Enfield)												
Royal Enfield ('000 units)	266	326	329	318	330	359	374	368	1,239	1,431	330	0.0
Growth (%)	17.0	43.2	20.9	12.3	24.4	10.0	13.5	16.0	22.7	15.6	24.4	
Net Realn (INR '000/unit)	185	181	182	186	188	190	190	189	183	189	189	-0.3
Change - YoY (%)	-0.9	-2.0	0.9	2.9	1.7	5.0	4.2	1.9	0.3	3.3	2.0	
Net operating income	**49,084**	**59,021**	**59,878**	**59,014**	**62,136**	**68,169**	**70,816**	**69,748**	**2,26,997**	**2,70,869**	**62,303**	-0.3
Growth (%)	16.0	40.3	22.0	15.6	26.6	15.5	18.3	18.2	53.8	49.2	26.9	
EBITDA	**12,313**	**14,687**	**15,899**	**15,230**	**15,103**	**16,747**	**17,494**	**17,269**	**58,129**	**66,612**	**15,140**	-0.2
EBITDA Margins (%)	25.1	24.9	26.6	25.8	24.3	24.6	24.7	24.8	25.6	24.6	24.3	
Recurring PAT	**13,065**	**12,080**	**13,321**	**12,364**	**15,066**	**13,158**	**13,930**	**13,971**	**50,829**	**56,126**	**14,904**	1.1
Growth (%)	20.1	19.6	26.1	9.9	15.3	8.9	4.6	13.0	18.8	10.4	14.1	
VECV												
Total CV Volumes	**21,610**	**21,901**	**26,086**	**33,898**	**24,815**	**24,087**	**27,577**	**33,480**	**1,03,495**	**1,09,959**	**24,815**	0.0
Growth (%)	9.7	5.4	24.2	18.2	14.8	10.0	5.7	-1.2	14.8	6.2	14.8	
Net Realn (INR '000/unit)	2,624	2,788	2,678	2,443	2,664	2,704	2,598	2,706	2,616	2,669	2,546	4.6
Change - YoY (%)	2.0	4.6	-3.0	-1.9	1.5	-3.0	-3.0	10.8	0.2	2.0	-3.0	
Net operating income	**56,711**	**61,058**	**70,191**	**82,806**	**66,100**	**65,139**	**71,641**	**90,610**	**2,70,766**	**2,93,491**	**63,168**	4.6
Growth (%)	11.9	10.3	21.0	16.0	16.6	6.7	2.1	9.4	15.0	8.4	11.4	
EBITDA	**5,108**	**4,791**	**6,522**	**8,591**	**5,410**	**5,077**	**5,926**	**8,636**	**25,012**	**25,050**	**4,928**	9.8
EBITDA Margins (%)	9.0	7.8	9.3	10.4	8.2	7.8	8.3	9.5	9.2	8.5	7.8	
Recurring PAT	**2,890**	**2,490**	**4,091**	**5,629**	**3,008**	**2,791**	**3,516**	**5,435**	**15,103**	**14,751**	**2,652**	13.4
Growth (%)	25.3	19.1	35.9	23.5	4.1	12.1	-14.1	-3.4	17.4	-2.3	-8.2	

Dabur

Estimate changes	⟷
TP change	⟷
Rating change	⟷

CMP: INR434 **TP: INR475 (+10%)** **Neutral**

Bloomberg	DABUR IN
Equity Shares (m)	1774
M.Cap.(INRb)/(USDb)	769.4 / 8
52-Week Range (INR)	577 / 401
1, 6, 12 Rel. Per (%)	0/-10/-14
12M Avg Val (INR M)	1164

Financials & Valuations (INR b)

Y/E March	2026	2027E	2028E
Sales	131.9	145.1	156.1
Sales Gr. (%)	5.0	10.0	7.6
EBITDA	24.5	27.4	30.2
EBITDA mrg. (%)	18.6	18.9	19.4
Adj. PAT	19.4	21.3	23.6
Adj. EPS (INR)	10.9	12.0	13.3
EPS Gr. (%)	7.6	10.1	10.6
BV/Sh.(INR)	64.4	66.0	67.4
Ratios			
RoE (%)	17.5	18.5	20.0
RoCE (%)	16.1	16.6	17.9
Payout (%)	86.9	91.4	93.9
Valuation			
P/E (x)	39.6	36.0	32.5
P/BV (x)	6.7	6.6	6.4
EV/EBITDA (x)	27.9	24.7	22.3
Div. Yield (%)	2.2	2.5	2.9

Shareholding pattern (%)

As On	Jun-26	Mar-26	Jun-25
Promoter	66.2	66.3	66.2
DII	18.7	18.6	16.2
FII	9.7	10.0	11.8
Others	5.4	5.2	5.7

FII Includes depository receipts

Steady show; HPC continues to lead growth

- Dabur's (DABUR) 1QFY27 consolidated revenue grew 11% YoY (est. 13%), while India business revenue increased 9.5% YoY. India volume growth came in at 5% (est. 8%; 6% in 4QFY26), below expectation, partially impacted by unseasonal rainfall (beverage portfolio). Rural demand continued to outpace urban markets. Management reiterated its confidence in delivering double-digit growth across business verticals during FY27, supported by a slightly higher mix of pricing.
- Home & Personal Care continued to outperform with ~12% YoY growth, supported by hair care and oral care. The Healthcare portfolio grew 5.5% YoY (on base of -4.4%) despite weather-related disruption in Glucose. F&B grew ~7% YoY.
- GM expanded 30bp YoY to 47.3% (in line), while EBITDA margin improved 10bp YoY to 19.7% (in line). Operating expenses remained elevated as the company continued to invest in brands and distribution. Management expects operating margins to improve gradually through calibrated pricing actions, premiumization and productivity initiatives while mitigating commodity inflation. We build a modest margin expansion and expect EBITDA margin to be ~19% for FY27/FY28E.
- Dabur expects double-digit consol. revenue growth in FY27 along with improvement in margins. Management expects revenue growth to be supported by a slightly higher mix of pricing. Resilient rural demand, coupled with signs of improving urban demand, bodes well for Dabur's growth outlook. However, the pace of demand recovery, commodity inflation and the progress of the monsoon (including any El Nino-related risks) remain key monitorables for FY27. **We reiterate our Neutral rating on the stock with a TP of INR475 (based on 35x Mar'28E EPS).**

In-line print; volume growth at 5%

- **Broadly in-line revenue:** DABUR's 1QFY27 consolidated sales grew 11% YoY to INR37.6b (est. INR38.4b). India business revenue increased 9.5% YoY, while India volume growth stood at 5% (est. 8%), reflecting healthy underlying demand despite unseasonal rainfall impacting the beverage portfolio during the first half of the quarter.
- **HPC business grew 12.3% YoY; broad-based growth continues:** HPC maintained its healthy growth trajectory with broad-based performance across categories. Hair Care delivered strong double-digit growth. Hair oil grew ~18%, with volumes growing 8%. Shampoo grew in the early twenties. Oral Care posted high single-digit growth. Home Care recorded healthy growth with Odonil growing in high single digits and Sanifresh delivering strong double-digit growth. Skin & Salon business also reported high single-digit growth.

- **Healthcare portfolio grew 5.5% YoY (on base of -4.4%):** Digestives continued to outperform with double-digit growth. OTC & Ethicals remained healthy, with Honitus and Health Juices reporting strong double-digit growth. Dabur Honey grew in high single digits, while Dabur Glucose sales were impacted by unseasonal rainfall during the first half of the quarter but witnessed a strong recovery in the latter half.
- **Food & Beverages remained healthy (+7.2%):** The Culinary portfolio sustained its strong momentum with growth in high-twenties, supported by broad-based performance across brands. Badshah grew 13.3%, driven by ~11% volume growth despite deflationary trends in spices, while its annual revenue run-rate has reached INR4b (vs. ~INR2.2b at acquisition). The beverage portfolio was impacted by unseasonal rainfall in the first half but recovered strongly during May and June. Activ (Juices & Coconut Water) maintained strong double-digit growth, while the Fizz portfolio grew in the high teens.
- Despite facing headwinds in the Middle East, **international business grew 15.5% (INR terms)** in 1Q, supported by double-digit growth across major markets.
- **Flat EBITDA margin YoY:** Gross margin expanded 30bp YoY/contracted 100bp QoQ to 47.3% (est. 47.2%). Employee expenses rose 9%, ad spends grew 14% (base -14%), and other expenses increased by 12% YoY (base 1.8%). EBITDA margin expanded 10bp YoY to 19.7% (est. 19.8%).
- EBITDA grew 11% (on 2% growth in base) to INR7.4b (est. INR7.6) and APAT grew by 7% YoY (on 3% growth in base) to INR6b (est. INR5.9).

Highlights from the management commentary

- Consumption environment remained stable despite weather disruptions, inflationary pressures and geopolitical uncertainties.
- April was impacted by unseasonal rains, affecting seasonal categories like beverages and glucose; however, demand rebounded in May and June, implying the weakness was weather-led rather than structural.
- Badshah grew 13.3%, driven by ~11% volume growth despite deflationary trends in spices. Dabur has expanded Badshah from Maharashtra and Gujarat to MP, Rajasthan and the Delhi-NCR region. The business now has ARR of INR4b vs. ~INR2.2b at the time of acquisition.
- For the full year FY27, Dabur targets double-digit consolidated revenue growth.
- Volume growth is expected to remain healthy but pricing will contribute a larger share of growth due to commodity inflation.

Valuation and view

- We largely maintain our EPS estimates for FY27E and FY28E.
- After delivering muted sales growth in the past two years (1.3% in FY25 and 5% in FY26), Dabur expects double-digit consolidated revenue growth in FY27, accompanied by gradual margin improvement. Management expects growth to be driven by a healthy mix of volume and pricing, with pricing contributing marginally more. Operating margins are expected to improve through calibrated price hikes, premiumization, productivity initiatives and ongoing cost-saving measures, while mitigating commodity inflation.
- Resilient rural demand, coupled with signs of improving urban demand, bodes well for Dabur's growth outlook. However, the pace of demand recovery, commodity inflation and the progress of the monsoon (including any El Nino-related risks) remain key monitorables for FY27. **We reiterate our Neutral rating on the stock with a TP of INR475 (based on 35x Mar'28E EPS).**

Quarterly Performance (Consolidated) (INR m)

Y/E March	FY26				FY27E				FY26	FY27E	FY27E	Var.
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	(%)
Domestic FMCG vol. growth (%)	**-1.0**	**2.0**	**3.0**	**6.0**	**5.0**	**6.0**	**5.0**	**8.0**	**2.5**	**6.0**	**8.0**	
Net sales	**34,046**	**31,913**	**35,587**	**30,380**	**37,644**	**34,966**	**38,798**	**33,649**	**1,31,926**	**1,45,058**	**38,416**	**-2.0%**
YoY change (%)	1.7	5.4	6.1	7.3	10.6	9.6	9.0	10.8	5.0	10.0	12.8	
Gross profit	**16,013**	**15,778**	**17,218**	**14,679**	**17,824**	**17,238**	**18,895**	**16,105**	**63,688**	**70,063**	**18,132**	**-1.7%**
Margin (%)	47.0	49.4	48.4	48.3	47.3	49.3	48.7	47.9	48.3	48.3	47.2	
EBITDA	**6,678**	**5,881**	**7,341**	**4,618**	**7,414**	**6,570**	**8,178**	**5,214**	**24,518**	**27,376**	**7,617**	**-2.7%**
Margins (%)	19.6	18.4	20.6	15.2	19.7	18.8	21.1	15.5	18.6	18.9	19.8	
YoY growth (%)	2.0	6.4	7.7	8.2	11.0	11.7	11.4	12.9	5.8	11.7	14.1	
Depreciation	1,141	1,154	1,172	1,222	1,212	1,269	1,278	1,379	4,689	5,137	1,245	
Interest	346	397	311	400	366	350	280	304	1,454	1,300	300	
Other income	1,440	1,401	1,406	1,750	1,726	1,513	1,519	1,841	5,998	6,599	1,512	
PBT	**6,630**	**5,731**	**7,265**	**4,747**	**7,562**	**6,464**	**8,139**	**5,373**	**24,373**	**27,538**	**7,584**	**-0.3%**
Tax	1,543	1,282	1,575	1,117	1,695	1,616	2,034	1,538	5,517	6,883	1,896	
Rate (%)	23.3	22.4	21.7	23.5	22.4	25.0	25.0	28.6	22.6	25.0	25.0	
Adjusted PAT	**5,222**	**4,608**	**5,795**	**3,769**	**5,991**	**5,020**	**6,276**	**4,062**	**19,393**	**21,350**	**5,860**	**2.2%**
YoY change (%)	2.7	6.4	9.2	14.8	14.7	8.9	8.3	7.8	7.7	10.1	12.2	

E: MOFSL Estimates

Category-wise performance

Business Segment	Category	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27
Healthcare	Health Supplements	3	5	3	-5	3
	Digestives	7.7	2	5	15	10
	OTC & Ethical	2	-5	5	7	5
Home and Personal Care	Oral Care	5	14.3	10	5	8
	Hair care	2	5	10	27	19
	Home care	10.1	5	2	24	5
	Skin & Salon	9.2	8	5	12	9
Foods & Beverages (incl Badshah)		23	19	16	25	23

Sources: Company reports, MOFSL

Phoenix Mills

Estimate change	⟷
TP change	↓
Rating change	⟷

Bloomberg	PHNX IN
Equity Shares (m)	358
M.Cap.(INRb)/(USDb)	683.3 / 7.1
52-Week Range (INR)	2170 / 1403
1, 6, 12 Rel. Per (%)	-1/18/29
12M Avg Val (INR M)	1041

Financials & Valuations (INR b)

Y/E Mar	FY26	FY27E	FY28E
Sales	44.2	48.8	57.3
EBITDA	26.4	29.1	34.3
EBITDA (%)	59.6	59.7	59.8
PAT	12.5	15.9	19.8
EPS (INR)	35.0	44.3	55.4
EPS Gr. (%)	28.9	26.5	24.9
BV/Sh. (INR)	307.3	348.6	401.0
Ratios			
Net D/E	0.4	0.4	0.2
RoE (%)	11.7	13.5	14.8
RoCE (%)	11.9	12.8	14.1
Payout (%)	7.3	6.8	5.4
Valuations			
P/E (x)	54.5	43.1	34.5
P/BV (x)	6.2	5.5	4.8
EV/EBITDA (x)	27.6	25.1	20.9
Div Yield (%)	0.1	0.2	0.2

Shareholding Pattern (%)

As on	Jun-26	Mar-26	Jun-25
Promoter (%)	47.3	47.3	47.3
DII (%)	17.4	16.2	12.7
FII (%)	31.7	33.0	36.3
Others (%)	3.6	3.6	3.7

CMP: INR1,911 TP: 2,200 (+15%) Buy

Growth outlook remains healthy

Consumption growth to drive retail scale-up

- In 1QFY27, Phoenix Mills (PHNX) reported rental income of INR5.9b, up 17% YoY, while retail EBITDA stood at INR6.2b, up 17% YoY. **We bake in a 10% CAGR in rental income to reach INR25.9b over FY26-28E.**
- Consumption increased 32% YoY to INR47.3b, driven by healthy traction across the operational portfolio. Newer malls, including Phoenix Mall of Asia, Bengaluru (+96% YoY) and Phoenix Mall of the Millennium, Pune (+34% YoY), continued to scale up well.
- Consumption growth was supported by resilient demand from the electronics segment, which grew 61% YoY, followed by the jewelry segment, which posted 55% YoY consumption growth. Other segments, such as FnB and Fashion, continued to perform well, growing at 26% and 24% YoY, respectively. The company expects retail to scale up to >18msf in GLA from current levels of 11.5msf by FY30.

Leasing traction strengthens office portfolio growth

- Income from commercial offices in 1QFY267 stood at INR750m, up 44% YoY, and EBITDA came in at INR420m, up 31% YoY. Margin stood at 56%, down 9pp YoY. **We expect income from the office segment to reach INR7.3b by FY28.**
- In 1QFY27, operational office assets recorded 72% occupancy, while the established office assets in Mumbai and Pune (combined GLA of ~2.0 msf) maintained a healthy 84% occupancy. Leased occupancy across new developments (combined GLA of ~2.9 msf) stood at 79% in Pune, 63% in Bengaluru, and 40% in Chennai.
- The company expects its office portfolio to scale up to 9msf of GLA by FY30 from the current levels of ~5msf.

Hospitality to expand to over 2,188 keys by FY30

- **St. Regis, Mumbai:** For 1QFY27, occupancy stood at 85% vs. 83% YoY. ARR stood at INR20,862, up 13% YoY, and RevPAR stood at INR17,763, up 15% YoY. Total income in 1QFY27 was INR1.3b, up 19% YoY. EBITDA stood at INR600m, up 20% YoY, with a margin of 45%, flat YoY.
- **Courtyard by Marriott, Agra:** For 1QFY27, occupancy stood at 79% vs. 71% YoY. ARR stood at INR4,948, up 13% YoY, while RevPAR rose 26% YoY to INR3,921. Total income from Marriott stood at INR120m, up 5% YoY. EBITDA stood at INR13m, down 22% YoY, with margins at 11%, down 4pp YoY.
- The hospitality portfolio is expected to expand from the current 588 keys to 2,188 keys by FY30.

Broadly in-line 1Q performance; estimates maintained

- Aided by asset additions, rental escalations, improving occupancy at the retail and office portfolio, and stronger consumption growth, **we expect a revenue CAGR of 14% over FY26-28, reaching INR57.3b.**
- In 1QFY27, PHNX reported revenue of INR10.7b, up 13% YoY, while EBITDA came in at INR6.4b, up 14% YoY. EBITDA margin stood at 59.7%, up 50bp YoY. Reported PAT stood at INR3.0b, up 23% YoY. PAT margin stood at 27.6%.
- Operating free cash flow (after interest and taxes) in 1QFY27 was INR6.0b, up 20% YoY. Excluding the residential business, it stood at INR5.8b, up 31% YoY. Consolidated net debt stood at INR36.6b (vs. INR31.6b in 4QFY26).

Valuation and view

- In the retail portfolio, while new malls continue to ramp up well, PHNX is implementing measures to accelerate consumption at the mature malls. These initiatives, along with a further increase in trading occupancy, are expected to help PHNX sustain healthy traction in consumption. New asset additions in the coming years would further lead to better growth in rental income over the medium term.
- Further, the office portfolio has ramped up well, whereas the Hospitality segment continues to remain resilient.
- **While we maintain our estimates, we roll forward to FY28E and reiterate our BUY rating on the stock with a TP of INR2,200, valued on an SoTP basis.**

Quarterly Performance

Y/E March	FY26				FY27E						1QE FY27 Variance	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	FY26	FY27	1Q Est.	(%/bp)
Net Sales	**9,530**	**11,154**	**11,212**	**12,332**	**10,749**	**11,179**	**11,627**	**15,253**	**44,228**	**48,809**	**11,150**	-4%
YoY Change (%)	5.4	21.5	15.0	21.3	12.8	0.2	3.7	23.7	16.0	10.4	17.0	
Total Expenditure	3,887	4,485	4,649	4,836	4,334	4,735	4,916	5,703	17,857	19,689	4,499	
EBITDA	**5,643**	**6,669**	**6,563**	**7,496**	**6,415**	**6,444**	**6,711**	**9,550**	**26,371**	**29,120**	**6,651**	-4%
Margins (%)	59.2	59.8	58.5	60.8	59.7	57.6	57.7	62.6	59.6	59.7	59.6	3bps
Depreciation	934	912	863	894	955	979	1,003	869	3,603	3,806	916	
Interest	951	919	1,023	974	938	943	948	1,092	3,868	3,921	979	
Other Income	315	308	473	612	402	344	357	397	1,708	1,500	343	
PBT before EO expense	**4,072**	**5,145**	**5,149**	**6,240**	**4,924**	**4,866**	**5,117**	**7,987**	**20,607**	**22,893**	**5,099**	-3%
Extra-Ord expense	0	0	-250	-40	0	0	0	0	-290	0	0	
PBT	**4,072**	**5,145**	**4,900**	**6,200**	**4,924**	**4,866**	**5,117**	**7,987**	**20,317**	**22,893**	**5,099**	-3%
Tax	873	1,317	1,218	1,343	989	973	1,023	1,594	4,751	4,579	1,020	
Rate (%)	21.4	25.6	24.9	21.5	20.1	20.0	20.0	20.0	23.4	20.0	20.0	
MI & P/L of Asso. Cos.	792	788	923	824	967	564	586	344	3,328	2,461	562	
Reported PAT	**2,407**	**3,040**	**2,758**	**4,033**	**2,969**	**3,329**	**3,507**	**6,049**	**12,238**	**15,854**	**3,517**	-16%
Adj PAT	**2,407**	**3,040**	**3,008**	**4,073**	**2,969**	**3,329**	**3,507**	**6,049**	**12,528**	**15,854**	**3,517**	-16%
YoY Change (%)	3.3	39.4	20.9	50.0	23.3	9.5	16.6	48.5	29.0	26.5	46.1	
Margins (%)	25.3	27.3	26.8	33.0	27.6	29.8	30.2	39.7	28.3	32.5	31.5	-392bps

Bajaj Housing Finance

Estimate changes	↑
TP change	↔
Rating change	↔

Bloomberg	BAJAJHFL IN
Equity Shares (m)	8332
M.Cap.(INRb)/(USDb)	730.2 / 7.6
52-Week Range (INR)	118 / 73
1, 6, 12 Rel. Per (%)	0/4/-22
12M Avg Val (INR M)	769

Financials Snapshot (INR b)

INR b	FY26	FY27E	FY28E
NII	37.5	41.6	50.7
PPP	35.2	40.7	50.2
PAT	25.6	30.1	37.0
EPS (INR)	3.1	3.6	4.4
EPS Gr. (%)	18	18	23
BV/Sh. (INR)	27	31	35
Ratios (%)			
NIM	3.4	3.0	3.0
C/I ratio	19.7	19.2	17.9
RoA	2.2	2.1	2.1
RoE	12.1	12.5	13.5
Valuation			
P/E (x)	28.5	24.2	19.7
P/BV (x)	3.2	2.9	2.5
Div. Yield (%)	0.0	0.0	0.0

Shareholding pattern (%)

As On	Jun-26	Mar-26	Jun-25
Promoter	86.7	86.7	88.7
DII	1.0	1.2	0.6
FII	0.9	1.0	1.1
Others	11.3	11.1	9.6

FII Includes depository receipts

CMP: INR88 TP: INR95 (+8%) Neutral

Earnings beat driven by lower credit costs; NIM dips QoQ

Healthy disbursements and AUM growth; asset quality broadly stable

- Bajaj Housing (BHFL)'s 1QFY27 PAT grew 23% YoY to ~INR7.2b (~5% beat). NII grew 9% YoY to ~INR9.7b (in line). Other income grew 64% YoY to ~INR2.1b (~11% beat). NTI grew ~16% YoY to INR11.7b (in line) in 1QFY27.
- Opex rose 7% YoY to INR2.3b (in line). PPoP grew 18% YoY to INR9.4b (in line).
- Net credit costs declined to INR161m (~75% lower than est.). This translated into an annualized credit cost of ~5bp (PY: ~16bp). Management shared that the exceptionally low credit cost in 1QFY27 was driven by direct assignments of ~INR23b in the quarter, which led to a release of Stage 1 provisions. The absence of any accelerated provisioning (seen earlier in 4QFY26 amid macro and geopolitical uncertainties) also supported the lower credit costs.
- AUM grew 24% YoY to ~INR1.5t as of Jun'26, while 1QFY27 disbursements grew ~33% YoY to ~INR195b. BHFL highlighted that growth momentum remains broad-based, with the company gaining a larger share of industry growth rather than benefiting from any meaningful easing in competitive intensity. The company guided for AUM growth of ~21-23% in FY27, and we estimate an AUM growth of ~25% in FY27.
- BHFL shared that the runoff of higher-yielding legacy loans and their replacement with lower-IRR new origination is leading to natural portfolio yield compression. The company expects a further ~6-10bp NTI compression through FY27, with full-year FY27 NTI compression of ~25bp. We model NTI of 3.62%/3.56% in FY27/FY28E (vs. 3.92% in FY26).
- We continue to remain confident in management's ability to deliver strong disbursement and AUM growth. While the runoff of higher-yielding legacy loans is likely to keep yields under pressure in the near term, the company's strong growth trajectory, increasing scale, and focus on higher-yielding segments should support healthy earnings growth.
- **We estimate BHFL to post a CAGR of ~24%/20% in AUM/PAT over FY26-28E and RoA/RoE of ~2.1%/13.5% in FY28E. Reiterate Neutral with a TP of INR95 (based on 2.7x FY28E BVPS), as current valuations largely factor in medium-term growth and profitability potential.**

Yields largely stable; NIM contracts ~14bp QoQ

- Reported yield was largely stable QoQ at ~8.9% while CoB declined ~7bp QoQ to ~7.2%. Spreads were broadly stable QoQ at 1.7%.
- Reported NIM dipped ~14bp QoQ to ~3.7% for the quarter.
- The cost of funds declined during the quarter, driven by the hedged borrowing book, the maturity of higher-cost legacy borrowings, and the repricing of select borrowings at lower rates. Going forward, the company expects borrowing costs to remain broadly stable with a modest downward bias.

Asset quality stable; credit costs decline significantly driven by one-offs

- Asset quality was largely stable, with GS3/NS3 at 0.3%/0.1%. PCR declined ~125bp QoQ to ~58.5%. (PQ: ~59.8%).
- Management shared that LAP GNPA remains within the historical 50-70bp range, with the recent uptick viewed as normal portfolio volatility. The company does not see any material stress across any cohort, geographies, or customer segments, including in the salaried borrower segment employed in the IT sector.
- BHFL guided credit costs of 10-15bp in FY27. We model credit costs of ~13bp/~14bp for FY27/FY28E.

Highlights from the management commentary

- Within the Sambhav Housing business, the company aims to scale monthly disbursements to >INR6b over the next nine months, from the current level of INR4.5b. Affordable housing is expected to account for ~33-36% of Sambhav's disbursements, with the balance coming from near-prime housing loans.
- Developer finance GNPA stood at 12bp following one account moving from Stage 2 to Stage 3, with resolution efforts currently underway. The account had already been provisioned at a significantly higher level based on its expected resolution trajectory, limiting the need for incremental provisioning upon migration to Stage 3.

Valuation and view

- BHFL delivered a mixed quarter, with broad-based growth momentum driving strong AUM growth. However, NIM declined during the quarter, with a further 6-10bp compression expected during the year as higher-yielding legacy loans run off and are replaced by lower-yielding originations. On the positive side, asset quality remained stable, with credit costs staying benign.
- **Given these dynamics, the current valuation of 2.9x FY27E already reflects its medium-term growth and profitability potential. We reiterate a Neutral rating on the stock with a TP of INR95 (based on 2.7x FY28E BVPS).**

Quarterly performance INR m

Particulars	FY26				FY27E				FY26	FY27E	1Q FY27E	v/s Est.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Interest Income	24,926	26,144	26,973	27,073	28,561	30,132	31,879	33,647	1,05,116	1,24,218	28,454	0
Interest expense	16,060	16,580	17,335	17,620	18,885	20,018	21,259	22,429	67,594	82,591	18,716	1
Net interest income	**8,866**	**9,565**	**9,638**	**9,453**	**9,676**	**10,114**	**10,620**	**11,218**	**37,522**	**41,627**	**9,738**	**-1**
Growth YoY (%)	*33.4*	*34.1*	*19.6*	*14.9*	*9.1*	*5.7*	*10.2*	*18.7*	*24.8*	*10.9*	*9.8*	
Other operating income	1,259	1,406	1,887	1,954	2,070	2,173	2,195	2,246	6,387	8,684	1,862	11
Net total income	**10,125**	**10,970**	**11,525**	**11,407**	**11,746**	**12,287**	**12,815**	**13,464**	**43,909**	**50,311**	**11,600**	**1**
Growth YoY (%)	*25.0*	*22.4*	*23.5*	*19.2*	*16.0*	*12.0*	*11.2*	*18.0*	*22.1*	*14.6*	*14.6*	
Operating expenses	2,145	2,147	2,316	2,194	2,297	2,356	2,433	2,555	8,671	9,640	2,289	0
Operating profits	**7,980**	**8,823**	**9,209**	**9,214**	**9,448**	**9,931**	**10,382**	**10,909**	**35,238**	**40,671**	**9,311**	**1**
Growth YoY (%)	*24.7*	*23.8*	*23.0*	*23.0*	*18.4*	*12.6*	*12.7*	*18.4*	*23.6*	*15.4*	*16.7*	
Provisions	411	497	564	555	161	577	610	653	1,907	2,002	617	-74
Profit before tax	**7,569**	**8,327**	**8,645**	**8,659**	**9,287**	**9,354**	**9,772**	**10,256**	**33,200**	**38,669**	**8,694**	**7**
Tax expenses	1,736	1,897	1,997	1,967	2,135	2,077	2,121	2,253	7,597	8,585	1,887	13
Net profit	**5,833**	**6,430**	**6,649**	**6,692**	**7,153**	**7,277**	**7,652**	**8,003**	**25,603**	**30,085**	**6,807**	**5**
Growth YoY (%)	*20.9*	*17.8*	*21.3*	*14.1*	*22.6*	*13.2*	*15.1*	*19.6*	*18.4*	*17.5*	*16.7*	
Key Parameters (%)												
Reported Yields	9.5	9.3	9.1	8.9	8.9							
Reported Cost of funds	7.7	7.4	7.3	7.3	7.2							
Spread	1.8	1.9	1.8	1.7	1.7							
Reported NIMs	4.0	4.0	4.0	3.8	3.7							
Credit cost on loans	0.16	0.18	0.20	0.18	0.05	0.17	0.17	0.17				
Cost to Income Ratio (%)	21.2	19.6	20.1	19.2	19.6	19.2	19.0	19.0				
Tax Rate (%)	22.9	22.8	23.1	22.7	23.0	22.2	21.7	22.0				
Balance Sheet Parameters												
AUM (INR B)	**1,204**	**1,267**	**1,334**	**1,407**	**1,496**	**1,582**	**1,672**	**1,763**				
Change YoY (%)	24.1	23.6	23.2	22.7	24.3	24.8	25.3	25.3				
Loans (INR B)	**1,059**	**1,131**	**1,173**	**1,237**	**1,312**	**1,386**	**1,463**	**1,541**				
% of AUM	88.0	89.2	87.9	87.9	87.7	0.0	0.0	0.0				
Disbursements (INR B)	**147**	**159**	**165**	**175**	**195**	**199**	**208**	**218**				
Change YoY (%)	22.1	32.5	31.6	22.8	33.2	25.0	26.0	24.6				
Borrowings (INR B)	**885**	**941**	**983**	**1,037**	**1,105**	**1,172**	**1,241**	**1,306**				
Change YoY (%)	20.7	26.4	24.1	26.5	24.9	24.6	26.2	25.9				
Asset Quality (%)												
GS 3 (INR M)	**3,150**	**2,980**	**3,190**	**3,300**	**3,800**							
G3 %	0.3	0.3	0.3	0.3	0.3							
NS 3 (INR M)	1,380	**1,320**	**1,870**	**1,330**	2,220							
NS3 %	0.1	0.1	0.1	0.1	0.1							
PCR (%)	**56.2**	55.6	58.8	59.8	**58.5**							
ECL (%)	0.6	0.6	0.6	0.6	0.6							
Return Ratios - YTD (%)												
ROA (Rep)	2.3	2.3	2.3	2.3	2.3							
ROE (Rep)	11.6	12.2	12.3	12.2	12.5							

E: MOFSL Estimates

Colgate

Estimate change	⟷
TP change	⟷
Rating change	⟷

Bloomberg	CLGT IN
Equity Shares (m)	272
M.Cap.(INRb)/(USDb)	589.2 / 6.2
52-Week Range (INR)	2505 / 1782
1, 6, 12 Rel. Per (%)	7/7/0
12M Avg Val (INR M)	1052

Financials & Valuations (INR b)

Y/E March	2026	2027E	2028E
Sales	60.4	66.5	71.2
Sales Gr. (%)	-0.1	10.2	7.1
EBITDA	18.7	20.8	22.8
EBITDA Margin (%)	31.0	31.4	32.1
Adj. PAT	13.4	15.1	16.6
Adj. EPS (INR)	49.4	55.5	61.2
EPS Gr. (%)	-3.8	12.4	10.2
BV/Sh.(INR)	58.2	63.8	73.0
Ratios			
RoE (%)	82.7	91.0	89.5
RoCE (%)	83.1	91.3	89.7
Payout (%)	97.2	90.0	85.0
Valuation			
P/E (x)	44.0	39.1	35.5
P/BV (x)	37.3	34.1	29.8
EV/EBITDA (x)	30.9	27.7	25.1
Div. Yield (%)	2.2	2.3	2.4

Shareholding Pattern (%)

As On	Jun-26	Mar-26	Jun-25
Promoter	51.0	51.0	51.0
DII	15.8	15.5	9.6
FII	13.6	13.6	20.4
Others	19.6	19.9	19.0

FII includes depository receipts

CMP: INR2,166 TP: INR2,500 (+15%) Buy

Double-digit revenue growth; a positive start to FY27

- Colgate (CLGT) delivered 12% YoY revenue growth to INR16.0b (est. INR15.6b, 2-yr CAGR 3.5%) in 1QFY27. The company registered double-digit revenue growth after six quarters with a healthy high-single-digit volume growth (est. 4.5%). Growth was broad-based across its core and premium portfolio and was balanced between pricing and volume.
- Dabur's oral care delivered high-single-digit growth, while HUVR's oral care delivered mid-single-digit revenue growth in 1QFY27.
- Gross margin expanded 100bp YoY to 70% (est. 69%), with the gains reinvested into brand building and premiumization initiatives. Consequently, ad spending increased 34% YoY, resulting in a 140bp YoY contraction in EBITDA margin to 30.1% (est. 32.1%; FY26: 31%).
- Management remains focused on driving balanced growth through volume recovery and selective pricing actions while continuing to invest in brands and premiumization to sustain top-line growth. **We reiterate our BUY rating on the stock with a TP of INR2,500 (based on 40x Mar'27E EPS).**

Beat on revenue; higher ad spending drags the operating margin

- **Revenue growth above est. at 12%:** CLGT registered a revenue growth of 12% YoY (-4.2% in base) to INR16b (est. INR15.7b). It registered double-digit growth after six quarters. Volume growth was 6-7% in 1QFY27.
- **Higher ad spending leads to a contraction in EBITDA:** Gross margin expanded 100bp YoY to 70% (est. 69%). Gross profit was up 13% YoY. Ad spending rose 34% YoY, other expenses were up 12% YoY, and employee expenses mounted 9% YoY. EBITDA grew 7% YoY to INR4.8b (est. INR5.0b). EBITDA margin contracted 140bp YoY to 30.1% (est. 32.1%).
- **High single-digit growth in profitability:** PBT was up 8% YoY to INR4.7b (est. INR4.9b). Exceptional expenses of INR33m were recorded due to certain severance-related costs. APAT grew 8% YoY to INR3.5b (est. INR3.6b).

Key highlights from the management commentary

- The toothpaste portfolio posted robust high-single-digit volume growth, driven by stellar performance in premium toothpaste and sustained growth in the core portfolio.
- Brand investments were accelerated to further strengthen the premiumization strategy in the Oral Care category.
- The company expanded its premium oral care portfolio with the launch of Colgate MaxFresh Berry Blast and the Colgate Total Active Prevention Foaming Clean Toothbrush, while also rolling out a summer campaign for MaxFresh Peppermint Ice to strengthen the freshness proposition.

Valuation and view

- There are no material changes in our EPS estimates for FY27 and FY28.
- Heading into FY27, management reiterated its focus on driving balanced growth through volume recovery and selective pricing actions while continuing to invest behind brands and premiumization initiatives to support top-line growth. We model 9% revenue CAGR and 11% EBITDA CAGR over FY26-28E. **We reiterate our BUY rating on the stock with a TP of INR2,500 (based on 40x Mar'27E EPS).**

Quarterly Performance **(INR m)**

Y/E March	FY26				FY27E				FY26	FY27E	FY26	Var.
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	(%)
Volume Gr %	**-3.0**	**-5.0**	**-2.0**	**4.0**	**6.0**	**5.0**	**4.0**	**3.0**	**-1.5**	**4.5**	**4.5**	
Net Sales (incldg. OOI)	**14,341**	**15,195**	**14,861**	**15,954**	**16,033**	**16,870**	**16,342**	**17,262**	**60,350**	**66,507**	**15,696**	2.1%
YoY change (%)	-4.2	-6.2	1.7	9.1	11.8	11.0	10.0	8.2	-0.1	10.2	*9.5*	
Gross Profit	**9,884**	**10,553**	**10,398**	**11,144**	**11,218**	**11,759**	**11,489**	**12,090**	**41,980**	**46,555**	**10,830**	3.6%
Gross margin (%)	68.9	69.5	70.0	69.9	70.0	69.7	70.3	70.0	69.6	70.0	*69.0*	
EBITDA	**4,526**	**4,654**	**4,420**	**5,096**	**4,830**	**5,242**	**5,010**	**5,769**	**18,697**	**20,850**	**5,045**	-4.3%
Margins (%)	31.6	30.6	29.7	31.9	30.1	31.1	30.7	33.4	31.0	31.4	*32.1*	
YoY growth (%)	-11.0	-6.4	-2.7	2.3	6.7	12.6	13.3	13.2	-4.5	11.5	*11.5*	
Depreciation	375	372	363	351	392	385	385	380	1,461	1,542	383	
Interest	10	10	10	8	10	11	11	10	38	42	10	
Financial other Income	179	150	393	169	228	225	236	236	891	925	224	
PBT	**4,320**	**4,423**	**4,441**	**4,906**	**4,655**	**5,072**	**4,850**	**5,614**	**18,089**	**20,191**	**4,876**	-4.5%
Tax	1,113	1,148	1,118	1,207	1,191	1,278	1,222	1,391	4,587	5,082	1,229	
Rate (%)	25.8	25.9	25.2	24.6	25.6	25.2	25.2	24.8	25.4	25.2	*25.2*	
Adj PAT	**3,206**	**3,275**	**3,297**	**3,658**	**3,456**	**3,794**	**3,627**	**4,224**	**13,436**	**15,109**	**3,648**	-5.3%
YoY change (%)	-11.9	-7.9	2.2	3.0	7.8	15.8	10.0	15.5	-3.8	12.4	*13.8*	
Reported PAT	**3,206**	**3,275**	**3,239**	**3,533**	**3,431**	**3,794**	**3,627**	**4,224**	**13,253**	**15,109**	**3,648**	

E: MOFSL Estimates

P&G Hygiene and Healthcare

Estimate changes	↓
TP change	↓
Rating change	↔

CMP: INR8,599 **TP: INR9,500 (+10%)** **Neutral**

Bloomberg	PG IN
Equity Shares (m)	32
M.Cap.(INRb)/(USDb)	279.1 / 2.9
52-Week Range (INR)	14510 / 8680
1, 6, 12 Rel. Per (%)	-4/-22/-32
12M Avg Val (INR M)	174

Financials & valuations (INR b)

Y/E March	FY26	FY27E	FY28E
Sales	42.9	45.1	48.2
Sales Gr. (%)	27.1	5.1	7.0
EBITDA	11.7	11.8	12.9
Margin (%)	27.3	26.1	26.7
Adj. PAT	8.6	8.7	9.4
Adj. EPS (INR)	263.5	266.9	290.6
EPS Gr. (%)	34.5	1.3	8.9
BV/Sh.(INR)	232.1	285.6	343.8
Ratios			
RoE (%)	114.9	103.2	92.5
RoCE (%)	129.5	114.9	101.9
Valuations			
P/E (x)	32.6	32.2	29.6
P/BV (x)	37.0	30.1	25.0
EV/EBITDA (x)	23.3	23.1	21.0
Div. Yield (%)	3.0	2.5	2.7

Shareholding pattern (%)

As On	Jun-26	Mar-26	Jun-25
Promoter	70.6	70.6	70.6
DII	15.6	16.0	15.5
FII	1.0	1.0	1.4
Others	12.8	12.4	12.5

FII Includes depository receipts

Weak print; quarterly volatility continues

- P&G Hygiene & Healthcare's (PGHH) 1QFY27 revenue declined 5% YoY (miss) to INR8.9b on a flat base. Revenue growth was weak, with the business continuing to exhibit high quarterly performance volatility.
- Gross margin contracted 630bp YoY (470bp QoQ) to 57.3%, impacted by commodity cost inflation due to geopolitical uncertainties. Employee costs increased 12% YoY, A&P spending jumped 21% YoY, and other expenses declined 4% YoY. Despite raw material cost pressure, PGHH continued to invest in innovation and brand building. Consequently, EBITDA margin contracted 930bp YoY (410bp QoQ) to 19.1%, while EBITDA declined 36% YoY to INR1.7b (est. INR2.7b).
- PGHH exhibits significant volatility on a quarterly basis, with profitability impacted by high input costs and continued investment in brands. We model EBITDA margin of 26.0-26.5% during FY27 and FY28.
- Management at PGHH's analyst meet stated that they expect the operating environment to remain challenging as macro inflation is expected to keep consumers value-conscious. PGHH noted soft demand trends across both rural and urban markets. We model a CAGR of 6%/5%/5% in revenue/EBITDA/PAT over FY26-28E. The stock has corrected ~35% in last one year. Given the volatility in margins, we find other consumer names relatively better than PGHH for the growth outlook it offers. **We maintain Neutral with a revised TP of INR9,500 (based on 35x Mar'28E EPS).**

Miss on all fronts; margin pressure weighs on earnings

- **Revenue down 5%:** PGHH reported a 5% YoY decline in revenue to INR8.9b (est. INR10b) on a base of 0.6% growth. Revenue growth remains subdued, with quarterly performance remaining highly volatile.
- **Sharp margin contraction:** Gross margin declined 630bp YoY to 57.3% (est. 63.5%), impacted by commodity cost fluctuations amid geopolitical uncertainties. Employee costs increased 12% YoY, A&P spending rose 21% YoY, and other expenses declined 4% YoY. Despite raw material inflation, the company continued to invest in innovation and advertising. As a result, EBITDA margin contracted 930bp YoY to 19.1% (est. 26.5%).
- **Weak profitability:** EBITDA declined 36% YoY to INR1.7b (est. INR2.7b). PBT declined 36% YoY, while adj. PAT fell 34% YoY to INR1.3b (est. INR2.0b).

Valuation and view

- We cut our EPS estimates by 5-6% for FY27 and FY28.
- Two factors make PGHH an attractive long-term core holding: 1) robust growth potential in the feminine hygiene segment (65-68% of sales mix) and the potential for market share gains, aided by strategic initiatives, including the fortification of significant market advantages, and 2) potential for higher margin gains from the long-term trend of premiumization in the feminine hygiene segment.

- With a portfolio of essentials and healthcare, PGHH remains focused on product innovation-led customer acquisition. While penetration play will continue, it is expected to proceed at a stable pace despite the high scope of user additions. Further, we do not see any medium-term upside trigger.
- **We maintain Neutral with a revised TP of INR9,500 (based on 35x Mar'28E EPS).**

Standalone - Quarterly Earnings **(INR m)**

Y/E March	FY26				FY27E				FY26	FY27E	FY27E	Var.
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	(%)
Net Sales	**9,370**	**11,502**	**12,619**	**9,413**	**8,915**	**12,249**	**13,502**	**10,411**	**42,904**	**45,077**	**10,026**	**-11.1**
YoY Change (%)	0.6	1.3	1.1	-5.1	-4.9	6.5	7.0	10.6	27.1	5.1	7.0	
Gross profit	**5,959**	**7,050**	**8,399**	**5,845**	**5,112**	**7,472**	**9,047**	**6,543**	**27,253**	**28,173**	6,367	**-19.7**
Margin (%)	63.6	61.3	66.6	62.1	57.3	61.0	67.0	62.8	63.5	62.5	63.5	
EBITDA	**2,662**	**2,848**	**4,018**	**2,183**	**1,701**	**3,160**	**4,523**	**2,381**	**11,710**	**11,765**	**2,657**	**-36.0**
Growth	102.7	-2.0	8.3	4.1	-36.1	11.0	12.6	9.1	34.4	0.5	-0.2	
Margins (%)	28.4	24.8	31.8	23.2	19.1	25.8	33.5	22.9	27.3	26.1	26.5	
Depreciation	91	93	95	96	96	100	100	117	374	412	100	
Interest	1	36	27	31	3	35	30	36	95	104	15	
Other Income	77	99	124	125	94	130	145	197	425	567	125	
PBT	**2,647**	**2,818**	**4,020**	**2,181**	**1,697**	**3,155**	**4,538**	**2,426**	**11,666**	**11,816**	**2,667**	**-36.4**
PBT after EO expense	**2,647**	**2,818**	**4,020**	**2,181**	**1,697**	**3,155**	**4,538**	**2,426**	**11,666**	**11,816**	**2,667**	**-36.4**
Tax	726	719	1,006	650	434	795	1,144	769	3,101	3,141	672	
Rate (%)	27.4	25.5	25.0	29.8	25.6	25.2	25.2	31.7	26.6	26.6	25.2	
Adj PAT	**1,921**	**2,099**	**3,015**	**1,531**	**1,263**	**2,360**	**3,395**	**1,657**	**8,565**	**8,675**	**1,995**	**-36.7**
YoY Change (%)	111.4	-1.0	12.2	-1.9	-34.2	12.5	12.6	8.2	34.5	1.3	3.9	
Margins (%)	20.5	18.2	23.9	16.3	14.2	19.3	25.1	15.9	20.0	19.2	19.9	

E: MOFSL Estimates

Eris Lifesciences

Estimate change	↓
TP change	↓
Rating change	↔

Bloomberg	ERIS IN
Equity Shares (m)	139
M.Cap.(INRb)/(USDb)	197.5 / 2.1
52-Week Range (INR)	1888 / 1200
1, 6, 12 Rel. Per (%)	0/11/-18
12M Avg Val (INR M)	193

Financials & valuations (INR b)

Y/E MARCH	FY26	FY27E	FY28E
Sales	31.3	35.4	40.3
EBITDA	11.2	12.7	14.7
Adj. PAT	4.8	6.3	7.7
EBIT Margin (%)	26.9	27.8	28.5
Cons. Adj. EPS (INR)	34.6	45.7	56.3
EPS Gr. (%)	35.1	32.0	23.3
BV/Sh. (INR)	283.8	323.0	372.9
Ratios			
Net D:E	0.6	0.4	0.2
RoE (%)	14.1	15.1	16.2
RoCE (%)	15.0	12.6	14.4
Payout (%)	14.4	14.2	11.5
Valuations			
P/E (x)	41.3	31.3	25.3
EV/EBITDA (x)	19.5	16.9	14.1
Div. Yield (%)	0.5	0.5	0.5
FCF Yield (%)	1.2	3.7	5.1
EV/Sales (x)	7.0	6.0	5.1

Shareholding pattern (%)

As On	Jun-26	Mar-26	Jun-25
Promoter	54.1	53.9	54.8
DII	20.7	20.4	18.2
FII	5.8	6.4	8.4
Others	19.4	19.3	18.6

FII includes depository receipts

CMP: INR1,425 **TP: INR1,435 (+1)** **Neutral**

Domestic branded formulation drives earnings

Remediation measures weigh on the international business

- Eris Lifescience (ERIS) delivered slightly better-than-expected revenue for the quarter. However, EBITDA/PAT were marginally below our estimates (4%/6% miss).
- The domestic branded formulation (DBF) segment has witnessed an improving YoY growth trend, with the insulin, Onco-Nephro, and VMN categories significantly outperforming the industry.
- The oral anti-diabetes (OAD) and cardiac therapy witnessed muted YoY growth compared to the industry.
- The international business performance was impacted by the implementation of corrective actions to address EU regulatory issues.
- We reduce our FY27/FY28 estimates by 6%/2%, factoring in: a) a gradual revival in OAD and cardiac therapy growth, and b) an additional opex in the Swiss parenterals business. We value ERIS at 25x 12M forward earnings to arrive at a TP of INR1,450.
- We expect 13%/15%/28% revenue/EBITDA/PAT CAGR over FY26-28, reaching INR40b/INR15b/INR8b. The current valuation adequately factors in the earnings upside. **Reiterate Neutral.**

Product mix impact offset by operating leverage to some extent on a YoY basis

- ERIS' 1QFY27 revenue grew 13% YoY to INR8.7b (vs our est: INR8.4b).
- DBF revenue grew 14% YoY to INR8b.
- International business revenue grew 5% YoY to INR720m.
- Gross margin contracted 350bp YoY to 72.6%.
- EBITDA margin contracted 190bp YoY to ~33.9% (our est. 36.4%).
- EBITDA increased 7.1% YoY to INR3b (vs our estimate: INR3.1b)
- PAT increased 21.4% YoY to INR1.4b (vs our estimate: INR1.5b).

Highlights from the management commentary

- Monthly sales for semaglutide have remained stable (~INR40m/month), with upside expected from the launch of the obesity SKU in 2QFY27.
- Semaglutide offtake has been slower at the industry level, with prescriptions largely driven by diabetes treatment rather than a weight loss perspective.
- Management highlighted patient resistance to Semaglutide adoption at the clinic level across indications. However, treatment outcomes in diabetes have been successful.
- International revenue is expected to remain broadly flat to grow at low single digits in FY27. International EBITDA margin is expected to contract by ~200bp in FY27 due to remediation-related costs.

- GM contraction was largely driven by the product mix, while solvent price fluctuations had a limited impact on gross margin.
- ERIS completed three engineering batches at its Bhopal biologics facility: Insulin Degludec/Degludec combination/Recombinant Semaglutide. Regulatory filings for these products are expected in 2QFY27.

Consolidated - Quarterly Earning **(INR m)**

Y/E March	FY26				FY27E				FY26	FY27E	Estimate	Var %
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	
Gross Sales	**7,730**	**7,924**	**8,075**	**7,566**	**8,733**	**8,747**	**8,962**	**8,998**	**31,294**	**35,440**	**8,426**	3.6
YoY Change (%)	7.4	6.9	11.0	7.3	13.0	10.4	11.0	18.9	8.1	13.2	9.0	
Total Expenditure	4,963	5,042	5,258	4,830	5,770	5,537	5,655	5,786	20,093	22,748	5,359	
EBITDA	**2,767**	**2,882**	**2,816**	**2,736**	**2,962**	**3,210**	**3,307**	**3,212**	**11,201**	**12,692**	**3,067**	-3.4
Margins (%)	35.8	36.4	34.9	36.2	33.9	36.7	36.9	35.7	35.8	35.8	36.4	
Depreciation	705	691	703	696	721	698	715	718	2,795	2,852	627	
Interest	487	496	488	456	467	459	436	413	1,927	1,774	463	
Other Income	27	28	0	22	24	22	22	22	78	90	21	
PBT before EO expense	**1,602**	**1,724**	**1,625**	**1,606**	**1,799**	**2,075**	**2,178**	**2,104**	**6,557**	**8,157**	**1,998**	
Extra-Ord expense	-9	-3	172	0	0	0	0	0	161	0	0	
PBT	**1,611**	**1,727**	**1,452**	**1,606**	**1,799**	**2,075**	**2,178**	**2,104**	**6,396**	**8,157**	**1,998**	
Tax	360	382	365	-1,197	362	425	447	431	-90	1,665	420	
Rate (%)	22.3	22.1	25.1	-74.5	20.1	20.5	20.5	20.5	-1.4	20.4	21.0	
Minority Interest & P/L of Asso. Cos.	71	143	90	-24	13	63	63	63	280	202	63	
Reported PAT	**1,180**	**1,202**	**997**	**2,827**	**1,424**	**1,587**	**1,669**	**1,610**	**6,206**	**6,290**	**1,515**	
Adj PAT	**1,173**	**1,200**	**1,126**	**1,261**	**1,424**	**1,587**	**1,669**	**1,610**	**4,759**	**6,290**	**1,515**	-6.0
YoY Change (%)	41.0	31.0	34.7	34.4	21.4	32.3	48.2	27.7	35.1	32.1	29.2	
Margins (%)	15.2	15.1	13.9	16.7	16.3	18.1	18.6	17.9	15.2	17.7	18.0	

KPIT Technologies

Estimate change	↓
TP change	↓
Rating change	↔

Bloomberg	KPITTECH IN
Equity Shares (m)	274
M.Cap.(INRb)/(USDb)	175.1 / 1.8
52-Week Range (INR)	1329 / 543
1, 6, 12 Rel. Per (%)	-12/-34/-45
12M Avg Val (INR M)	1449
Free float (%)	61.4

Financials & Valuations (INR b)

Y/E Mar	FY26	FY27E	FY28E
Sales	64.5	66.7	73.8
EBIT Margin (%)	16.2	13.8	15.1
PAT	6.4	6.9	8.9
EPS (INR)	25.0	25.5	32.8
EPS Gr. (%)	(13.9)	1.9	28.9
BV/Sh. (INR)	130.1	147.8	171.6
Ratios			
RoE (%)	19.7	18.3	20.5
RoCE (%)	16.7	11.9	14.3
Payout (%)	30.0	30.4	27.5
Valuations			
P/E (x)	25.6	25.1	19.5
P/BV (x)	4.9	4.3	3.7
EV/EBITDA (x)	11.9	12.3	10.1
Div Yield (%)	1.2	1.2	1.4

Shareholding pattern (%)

As of	Jun-26	Mar-26	Jun-25
Promoter	38.6	39.4	39.5
DII	23.6	24.7	22.4
FII	13.8	14.0	16.3
Others	24.0	22.0	21.9

FII includes depository receipts

CMP: INR639 **TP: INR730 (+14%)** **Buy**

A bumpy ride ahead

Near-term margin pressure to keep recovery under stress

- KPIT Technologies (KPIT) reported revenue of USD177m in 1QFY27, a decline of 3.6% QoQ in CC terms vs. our estimate of 0.8% decline. Both the passenger car/commercial vehicle segments declined 2.4%/12.2% QoQ. EBIT margin was 12.3% (down 360bp QoQ), below our estimate of 16%. Adj. PAT was down 28.5% QoQ/32.3% YoY to INR1,164m (below our est. of INR2,201m).
- For 1QFY27, revenue grew 8.9% while EBIT/adj. PAT declined 21.4%/32.3% YoY in INR terms. We expect revenue/adj. PAT to grow 3.2%/6.2% while EBIT is likely to decline 14.4% YoY in 2QFY27. We factor in the near-term impact of OEM weakness, loss from Qorix, delay in deal closures, and volatility in the global supply chain. **We reiterate our BUY rating with a revised TP of INR730, based on 22x FY28E EPS (earlier 25x).**

Our view: Weakness to be seen through FY27

- **Incremental impact of negative announcements from European OEMs to be seen in 2Q:** Europe remained flattish in 1Q (+1.2% QoQ) after ~4% sequential impact from delayed conversions. **Further impact is expected to flow into 2Q at the geographical level** as an ongoing European program comes to an end. At the company level, this impact will be mitigated by sequential growth in the US and SIMA geographies. **We expect a 0.5% QoQ CC decline in 2Q.** SIMA saw QoQ decline of 41.1% in 1Q as there was a significant product sale in 4QFY26.
- KPIT's 1HFY27 is expected to remain subdued, **with recovery likely in 2H and sequential growth to be seen from 4Q, where we build in 3% QoQ CC growth.**
- **European automotive industry remains soft:** The auto industry has remained soft due to Chinese competition, geopolitical/tariff-related uncertainty, and elevated input costs stemming from the ongoing war, **with European OEMs disproportionately impacted (~50% of revenue), leading to job cuts, profit warnings, pay cuts, and restructuring across the ecosystem**. While there have been no deal losses in Europe so far, the concern remains with the timing of deal closures and conversion to revenue.
- **We believe FY27 will remain a year of consolidation**, with flat revenue as KPIT absorbs the operating model shift.
- **Products and solutions business:** Management is positive about this business and views this as a key margin-accretive and revenue growth lever, **with several new solutions expected to reach deployment readiness over the next couple of quarters**. In line with the strategy to focus on this business, it has been making investments in AI and software products and invested INR122m in 1Q for the development of AI and software products.
- **We believe there is strength in certain areas of the business:** We are seeing strong performance in the off-highway clients in the US, products and solutions segment, after-sales transformation and autonomous offerings, connected vehicles, and the new in-vehicle gaming platform, which also helped secure the deal win with Tata Motors PV.

- **Margin recovery a by-product of revenue growth:** Margin recovery is expected to be incremental until revenue growth resumes, as European cost take-out takes longer relative to other geographies. Apart from this, there will be losses from the Qorix acquisition, which will cause some drag in 2Q and 3Q. In 1Q, the loss was INR 140m. **While there will be gradual margin recovery, we expect a 13.8% EBIT margin for FY27 (vs. 16.2% in FY26).**
- **We cut our target multiple to 22x from the earlier 25x** as we have cut our near-term **numbers** due to a notable miss on EBIT margins. We are seeing slower-than-expected recovery in revenue growth and consequently, lower-than-expected EBIT margin.

Valuations and changes to our estimates

- We believe **KPIT will continue to see near-term weakness as it is grappling with global pressure in the automotive industry, along with geography and client-specific weakness.** Near-term demand uncertainty will weigh negatively on the business, leading to weakness in margins and profitability.
- Factoring in the near-term impact of OEM weakness, loss from Qorix, delay in deal closures, and volatility in the global supply chain, we cut our EPS estimates by 23%/15% for FY27/FY28. **We reiterate our BUY rating with a revised TP of INR730, based on 22x FY28E EPS (earlier 25x).**

Revenue in line, but miss on margins; deal TCV down 26.4% QoQ

- USD revenue came in at USD177m; decline of 3.6% QoQ in CC terms vs. our estimate of a 0.8% decline.
- Both the passenger car/commercial vehicle segments fell 2.4%/12.2% QoQ.
- In terms of geographies, the US was up 10.5% QoQ, while Europe remained flat in USD terms. JKC/SIMA were down 25%/41.1% QoQ.
- EBIT margin was 12.3% (down 370bp QoQ), below our estimate of 16%.
- Deal TCV stood at USD257m, down 26.4% QoQ.
- Adj. PAT was down 28.5% QoQ/32.3% YoY to INR1,164m (below our est. of INR2,201m).
- DSO at the end of 1QFY27 stood at 51 days.
- The net headcount was down 1.7% QoQ to 12,303 in 1QFY27.

Key highlights from the management commentary

- The global automotive industry continued to face pressure from intense Chinese competition, geopolitical/tariff-related uncertainty, and elevated input costs stemming from the ongoing war, with European OEMs disproportionately impacted, leading to job cuts, profit warnings, pay cuts, and restructuring across the ecosystem.
- Management reiterated that 2H will be stronger than 1H, with a return to meaningful growth expected by 4QFY27, as revenue recovery drives the primary lever for margin normalization.
- The commercial vehicle (CV) segment saw the sharper QoQ decline due to a high base from a one-time large license deal in the prior quarter, while the passenger vehicle (PV) segment was largely flat, with expected growth not materializing due to a last-minute European program setback.

- The European pipeline remains strong despite near-term revenue softness; management clarified the issue is one of conversion timing rather than deal loss, with recent European wins expected to ramp with a higher India delivery mix.
- AI adoption is central to the company's fixed-price delivery model transition, though full-scale AI-based delivery is progressing gradually due to client infrastructure constraints and the need for client buy-in.
- Management emphasized that European OEM pressure is viewed as structural rather than transient, with client conversations increasingly centered on cost reduction and speed-to-market rather than incremental pricing.

Valuation and view

- We believe **KPIT will continue to see near-term weakness as it is grappling with global pressure in the automotive industry, along with geography and client-specific weakness.** Near-term demand uncertainty will weigh negatively on the business, leading to weakness in margins and profitability.
- Factoring in the near-term impact of OEM weakness, loss from Qorix, delay in deal closures, and volatility in the global supply chain, we cut our EPS estimates by 23%/15% for FY27/FY28. **We reiterate our BUY rating with a revised TP of INR730, based on 22x FY28E EPS (earlier 25x).**

Quarterly Performance

Y/E March	FY26				FY27E				FY26	FY27E	Est.	Var.
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QFY27	(% / bp)
Revenue (USD m)	**178**	**181**	**181**	**185**	**177**	**173**	**175**	**180**	**725**	**706**	**181**	**-2.5**
QoQ (%)	0.5	1.8	0.0	2.2	-4.4	-1.9	1.0	3.0			-1.9	-249bp
Revenue (INR m)	**15,388**	**15,877**	**16,175**	**17,110**	**16,750**	**16,392**	**16,556**	**17,052**	**64,549**	**66,750**	**17,174**	**-2.5**
YoY (%)	12.8	7.9	9.4	12.0	8.9	3.2	2.4	-0.3	10.5	3.4	11.6	-275bp
GPM (%)	**35.2**	**37.3**	**36.8**	**37.4**	**35.7**	**36.0**	**36.4**	**36.5**	**36.7**	**36.1**	**37.2**	**-154bp**
SGA (%)	14.2	16.2	16.2	16.7	18.5	17.5	17.0	17.0	15.8	17.5	16.5	198bp
EBITDA	**3,239**	**3,351**	**3,334**	**3,533**	**2,878**	**3,032**	**3,212**	**3,325**	**13,457**	**12,447**	**3,555**	**-19.1**
EBITDA Margin (%)	**21.0**	**21.1**	**20.6**	**20.6**	**17.2**	**18.5**	**19.4**	**19.5**	**20.8**	**18.6**	**20.7**	**-352bp**
EBIT	**2,610**	**2,604**	**2,524**	**2,713**	**2,052**	**2,229**	**2,434**	**2,524**	**10,451**	**9,239**	**2,748**	**-25.3**
EBIT Margin (%)	**17.0**	**16.4**	**15.6**	**15.9**	**12.3**	**13.6**	**14.7**	**14.8**	**16.2**	**13.8**	**16.0**	**-375bp**
Other income	39	73	108	-100	-146	197	199	205	-1,133	151	206	-170.9
ETR (%)	27.1	26.7	25.1	27.5	27.4	26.0	26.0	26.0	26.6	26.2	25.5	188bp
PAT	**1,719**	**1,691**	**1,334**	**1,630**	**1,164**	**1,795**	**1,948**	**2,019**	**6,374**	**6,926**	**2,201**	**-47.1**
QoQ (%)	-29.7	-1.6	-21.1	22.2	-28.6	54.2	8.5	3.6			35.0	
YoY (%)	-15.8	-17.0	-28.6	-33.4	-32.3	6.2	46.0	23.9	-24.1	8.7	28.0	
Exceptional items	0	0	469	0	0	0	0	0	469.4	0.0	0.0	
Adj. PAT	**1,719**	**1,691**	**1,804**	**1,630**	**1,164**	**1,795**	**1,948**	**2,019**	**6,843**	**6,926**	**2,201**	**-47.1**
EPS (INR)	6.3	6.2	4.9	6.0	4.3	6.6	7.2	7.4	25.0	25.5	8.0	-46.7

Devyani International

Estimate changes	⇔
TP change	⇓
Rating change	⇔

Bloomberg	DEVYANI IN
Equity Shares (m)	1233
M.Cap.(INRb)/(USDb)	145.9 / 1.5
52-Week Range (INR)	191 / 92
1, 6, 12 Rel. Per (%)	5/9/-27
12M Avg Val (INR M)	520

Financials & Valuations (INR b)

Y/E Mar	2026	2027E	2028E
Sales	56.1	63.2	70.8
Sales Gr. (%)	13.3	12.6	12.1
EBITDA	8.6	10.4	12.2
Margins (%)	15.2	16.4	17.2
Adj. PAT	-0.2	0.4	1.1
Adj. EPS (INR)	-0.1	0.3	0.9
EPS Gr. (%)	PL	LP	202.3
BV/Sh.(INR)	12.5	13.1	13.3
Ratios			
RoE (%)	-1.4	2.4	7.0
RoCE (%)	3.1	4.6	5.7
Valuation			
P/E (x)	-813.7	386.3	127.8
P/BV (x)	9.4	9.0	8.9
EV/Sales (x)	2.7	2.4	2.5
EV/EBITDA (x)*	34.2	25.6	20.3

* Pre-Ind AS

Shareholding Pattern (%)

As of	Jun-26	Mar-26	Jun-25
Promoter	61.4	61.4	62.6
DII	18.8	19.3	18.1
FII	6.8	6.1	9.4
Others	13.0	13.2	9.9

FII includes depository receipts

CMP: INR118 **TP: INR160 (+35%)** **Buy**

Improving operational print

- Devyani International (DEVYANI)'s consolidated revenue grew 17% YoY in 1QFY27. The India revenue rose 15% YoY, driven by KFC and own brands. KFC continued to deliver positive SSSG (below), while Pizza Hut's SSSG remained negative, though it improved sequentially (below). Management indicated that the SSSG recovery momentum since 2HFY26 has continued into 1QFY27. The Jul'26 trends were encouraging despite a volatile demand environment.
- KFC sales grew 12% YoY with SSSG of 3.3% (base -0.7%; 4.9% in 4QFY26). KFC ADS remained flat YoY at INR98k. Management reiterated its aspiration to achieve 5-6% SSSG and indicated that KFC can deliver 20%+ brand contribution margins once ADS reaches INR105-110k. PH revenue declined 2% YoY, with SSSG at -2.2%. Franchisees' brand revenue (CC, NYF, and SK) grew 6% YoY while own brand revenue (Vaango and BBK) stood at INR978m (INR911m in 4QFY26).
- India ROM was up 24% YoY to INR1.4b, while margin improved 90bp YoY to 13%. KFC's ROM improved 140bp YoY to 16.9%, backed by strong GM expansion (+220bp), while PH's ROM stood at -2% vs. -1.1% in the base.
- International revenue grew 21% YoY to INR5.2b with RoM at INR949m (vs. INR724m in 1QFY26), and margin expanded 140bp YoY to 18.1%.
- KFC's performance remained encouraging, with healthy SSSG and sustained margin improvement, reflecting benefits of key initiatives and an improving channel mix. We expect unit economics to keep improving and operating leverage to support earnings growth. The proposed Devyani–Sapphire merger, likely to be completed by end-FY27, is expected to unlock scale efficiencies and enhance execution capabilities across brands and geographies. **We reiterate our BUY rating and value the entity at 25x Mar'28E EV/EBITDA (pre-Ind AS), implying a TP of INR160.**

Healthy print; KFC's performance continues to improve

- **KFC continues to drive growth:** Consolidated sales grew 17% YoY to INR15.8b (inline). The India revenue increased 15% YoY to INR10.7b (est. INR10.8b), supported by improving KFC performance and acquired brands. KFC sales grew 12% YoY to INR6.8b (est. INR7.1b), while SSSG improved 3.3% (est. 6%) on a base of -0.7%. PH sales declined 2% YoY to INR1.8b (est. INR1.9b), with SSSG at -2.2% (est. +1.5%). KFC ADS remained flat YoY at INR98k, while PH ADS declined 3% YoY to INR32k.
- **Store network remains flat QoQ:** It closed one store in 1QFY27, reaching 2,255 stores. The store additions/closure in KFC/PH/franchisee brands/ own brands/airports are 11/-13/-1/1/0. It also added one net new store in the international market. The total store count for KFC/PH/franchisee brands/ own brands/International stood at 794/626/197/218/400.

- **Margin remained healthy in 1Q:** Gross profit increased 18% YoY to INR10.9b (est. INR10.7b), with gross margin expanding 90bp YoY and 30bp QoQ to 69.1% (est. 68.2%). Reported EBITDA grew 24% YoY to INR2.5b (est. INR2.4b). Consolidated EBITDA margin expanded 100bp YoY and 20bp QoQ to 16.1% (est. 15.2%). Consolidated ROM increased 26% YoY to INR2.2b, with margin improving 110bp YoY and 10bp QoQ to 14.2%. Pre-Ind AS EBITDA grew 38% YoY to INR1.5b (est. INR1.4b), with margin expanding 150bp YoY to 9.6%.
- PBT stood at INR223m (est. INR160m) vs. INR19m in 1QFY26 and a loss of INR207m in 4QFY26, aided by higher other income. APAT came in at INR178m (est. INR183m) vs. INR15m in 1QFY26.

Highlights from the management commentary

- DEVYANI has taken slight price hikes in KFC and PH to mitigate the cost impact.
- KFC has taken three initiatives globally. One initiative is on beverages, with its sub-brand called KWENCH; DEVYANI is planning to launch the same in India. The second initiative is around sauces, and the third one is around the boneless piece. All these initiatives will also be launched in India gradually.
- Management indicated Pizza Hut's revival strategy is currently focused on "back-to-basics" execution. Under this, the company is working on the product and ingredients, as well as on some innovative ideas.
- Management retains its earlier guidance of 200-225 net new store additions in FY27.
- The DEVYANI SAPPHIRE merger is expected to be completed by the end of FY27.

Valuation and view

- We largely maintain our EBITDA estimates for FY27 and FY28.
- Management remains committed to improving ADS and profitability across the existing network across brands and will adopt a more cautious approach to future store openings across brands.
- The merger of Devyani and Sapphire is expected to unlock meaningful scale benefits, improve unit economics through operating leverage and revised commercial terms, and enhance execution across brands and geographies.
- The merger is expected to deliver recurring annual synergies of ~INR2.2b, driven by lower Pizza Hut operating costs, reduction in overall corporate overheads, and other operational efficiencies. We estimate an EBITDA gain of ~INR500m in FY28, considering weak QSR industry performance and any delay in the occurrence of synergy benefits (refer to our detailed merger note).
- We value the entity at 25x EV/EBITDA (pre-IND AS) on Mar'28E, which gives a per-share value of INR160; **reiterate BUY.**

Quarterly Performance

(INR m)

Y/E March	FY26				FY27E				FY26	FY27E	FY27E	Var.
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	(%)
KFC - No. of stores	704	734	788	783	794	824	854	893	783	893	813	
PH - No. of stores	618	621	639	639	626	630	634	659	639	659	643	
KFC - SSSG (%)	-0.7	-4.2	-2.9	4.9	3.3	4.0	4.5	4.2	-0.8	4.0	6.0	
PH - SSSG (%)	-4.2	-4.1	-9.1	-3.7	-2.2	1.0	3.5	1.7	-5.3	1.0	1.5	
Net Sales	**13,570**	**13,768**	**14,409**	**14,369**	**15,805**	**15,399**	**16,121**	**15,885**	**56,115**	**63,211**	**15,825**	0%
YoY change (%)	11.1	12.6	11.3	18.5	16.5	11.9	11.9	10.6	13.3	12.6	16.6	
Gross Profit	**9,252**	**9,329**	**9,928**	**9,886**	**10,915**	**10,549**	**11,043**	**11,101**	**38,396**	**43,607**	**10,792**	1%
Margin (%)	68.2	67.8	68.9	68.8	69.1	68.5	68.5	69.9	68.4	69.0	68.2	
EBITDA (Pre-IND AS)	**1,095**	**934**	**1,240**	**1,230**	**1,511**	**1,352**	**1,530**	**1,516**	**4,501**	**5,995**	**1,430**	6%
EBITDA growth %	-22.6	-18.3	-5.1	13.8	38.0	44.7	23.3	23.2	-8.9	33.2	30.6	
Margin (%)	8.1	6.8	8.6	8.6	9.6	8.8	9.5	9.5	8.0	9.5	9.0	
EBITDA	**2,049**	**1,943**	**2,267**	**2,295**	**2,548**	**2,352**	**2,630**	**2,772**	**8,554**	**10,388**	**2,410**	6%
EBITDA growth %	-8.3	-2.2	3.4	14.3	24.4	21.0	16.0	20.8	1.6	21.4	17.6	
Margin (%)	15.1	14.1	15.7	16.0	16.1	15.3	16.3	17.5	15.2	16.4	15.2	
Depreciation	1,497	1,603	1,656	1,943	1,815	1,620	1,620	2,541	6,698	7,595	1,620	
Interest	668	688	700	701	701	690	690	980	2,757	3,061	690	
Other Income	135	51	123	141	192	60	60	229	451	541	60	
PBT	**19**	**-297**	**35**	**-207**	**223**	**102**	**380**	**-519**	**-450**	**273**	**160**	40%
Tax	5	-52	-49	-47	58	20	76	-100	-143	55	32	
Rate (%)	27.0	17.5	-142.2	22.9	26.0	20.0	20.0	19.2	31.8	20.0	20.0	
Adjusted PAT	**15**	**-186**	**27**	**-36**	**178**	**136**	**359**	**-382**	**-179**	**377**	**183**	-2%
Margin (%)	0.1	-1.4	0.2	-0.2	1.1	0.9	2.2	-2.4	-0.3	0.6	1.2	
YoY change (%)	-94.5	NM	NM	NM	1,052.4	NM	NM	NM	-179.2	-310.7	982.7	

E: MOFSL Estimates

Vinati Organics

Estimate changes	⟷
TP change	⟷
Rating change	⟷

Bloomberg	VO IN
Equity Shares (m)	104
M.Cap.(INRb)/(USDb)	135.3 / 1.4
52-Week Range (INR)	1910 / 1203
1, 6, 12 Rel. Per (%)	-3/-8/-27
12M Avg Val (INR M)	89

Financials & Valuations (INR b)

Y/E March	FY26	FY27E	FY28E
Sales	22.3	27.2	31.2
EBITDA	6.5	7.1	8.6
PAT	4.4	4.6	5.7
EPS (INR)	42.8	44.1	54.9
EPS Gr. (%)	9.5	3.0	24.5
BV/Sh.(INR)	304.9	340.5	384.8
Ratios			
Net D:E	-0.0	-0.0	-0.1
RoE (%)	14.9	13.7	15.1
RoCE (%)	14.0	13.0	14.4
Payout (%)	20.6	24.8	23.2
Valuations			
P/E (x)	30.5	29.6	23.8
P/BV (x)	4.3	3.8	3.4
EV/EBITDA (x)	20.7	19.0	15.4
Div. Yield (%)	0.7	0.8	1.0

Shareholding pattern (%)

As On	Jun-26	Mar-26	Jun-25
Promoter	74.3	74.3	74.3
DII	9.2	9.9	9.3
FII	3.7	3.7	3.9
Others	12.9	12.1	12.6

FII includes depository receipts

CMP: INR1,305 TP: INR1,550 (+19%) Buy

Capacity ramp-up and VOPL scale-up to drive earnings

Operating performance in line

- Vinati Organics (VO) reported a revenue growth of 28% YoY; however, its EBITDA margin contracted 500bp YoY to 24.5% due to volatility in key raw material prices. Consequently, EBITDA inched up 7% YoY to INR1.7b.
- Looking ahead, revenue growth is likely to be driven by the **ATBS** segment, fueled by the ramp-up of Phase I capacity and the commissioning of the Phase II expansion in Oct'26. Additionally, the **BP (Butyl Phenol)** segment and the Isobutyl Benzene (IBB) segment are expected to witness a gradual improvement in demand.
- We broadly maintain our earnings estimates for FY27/FY28 and value VO at 28x FY28E EPS to arrive at our TP of INR1,550. **Reiterate BUY.**

Margins under pressure due to raw material volatility

- Revenue came in at INR7b (est. of INR5.8b), up 28% YoY and 15% QoQ.
- Gross margin was 46% (vs. 52.3% in 1QFY26 and 52.5% in 4QFY26).
- EBITDA margin came in at 24.5% (-500bp YoY, -370bp QoQ).
- EBITDA stood at ~INR1.7b (est. of INR1.6b) – +7% YoY, flat QoQ.
- Adjusted PAT stood at INR1.1b (in line) – up 4% YoY, but down 12% QoQ.

Valuation and view

- Vinati Organics is well positioned to capitalize on the anticipated demand recovery in the ATBS segment through the ramp-up of its Phase I (10,000 MTPA) capacity expansion and the commercialization of Phase II (an additional 10,000 MTPA), scheduled for Oct'26.
- Further, we expect Veeral VOPL to make a meaningful contribution from 2HFY27, driven by the ramp-up of newly commercialized products, including Anisole, 4-MAP, TAA, and PTA catering to diverse end-user industries.
- We broadly maintain our earnings estimates for FY27/FY28 and expect a CAGR of 18%/15%/13% in revenue/EBITDA/PAT over FY26-28. The stock trades at ~23.8x FY28E EPS of INR54.9 and ~15.4x FY28E EV/EBITDA. We value the stock at 28x FY28E EPS to arrive at our TP of INR1,550. **Reiterate BUY.**

Consolidated - Quarterly Earnings Model **(INR m)**

Y/E March	FY26				FY27E				FY26	FY27E	FY27 1QE	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE				
Gross Sales	**5,420**	**5,502**	**5,308**	**6,039**	**6,959**	**6,878**	**6,369**	**6,945**	**22,269**	**27,151**	**5,799**	**20%**
YoY Change (%)	*3.3*	*-0.6*	*1.7*	*-6.9*	*28.4*	*25.0*	*20.0*	*15.0*	*-0.9*	*21.9*	*7.0*	
Total Expenditure	3,823	3,829	3,742	4,336	5,254	5,066	4,706	5,033	15,730	20,059	4,170	
Gross Margin (%)	*52.3%*	*55.8%*	*55.6%*	*52.5%*	*46.0%*	*49.9%*	*51.0%*	*51.0%*	*54.0%*	*49.4%*	*52.2%*	
EBITDA	**1,597**	**1,673**	**1,566**	**1,703**	**1,705**	**1,812**	**1,664**	**1,912**	**6,539**	**7,093**	**1,629**	**5%**
Margin (%)	*29.5*	*30.4*	*29.5*	*28.2*	*24.5*	*26.3*	*26.1*	*27.5*	*29.4*	*26.1*	*28.1*	
Depreciation	256	261	293	305	317	340	400	440	1,114	1,497	320	
Interest	4	0	0	0	0	1	2	1	4	4	3	
Other Income	74	160	89	204	90	115	100	234	527	539	110	
PBT before EO expense	**1,412**	**1,573**	**1,361**	**1,602**	**1,478**	**1,585**	**1,362**	**1,705**	**5,948**	**6,130**	**1,416**	
PBT	**1,412**	**1,573**	**1,361**	**1,602**	**1,478**	**1,585**	**1,362**	**1,705**	**5,948**	**6,130**	**1,416**	
Tax	370	424	353	363	389	399	343	429	1,510	1,560	356	
Rate (%)	*26.2*	*26.9*	*25.9*	*22.7*	*26.3*	*25.2*	*25.2*	*25.2*	*25.4*	*25.4*	*25.2*	
MI & Profit/Loss of Asso. Cos.	0	0	0	0	0	0	0	0	0	0	0	
Reported PAT	**1,042**	**1,149**	**1,008**	**1,239**	**1,089**	**1,186**	**1,019**	**1,276**	**4,438**	**4,570**	**1,060**	**3%**
Adj PAT	**1,042**	**1,149**	**1,008**	**1,239**	**1,089**	**1,186**	**1,019**	**1,276**	**4,438**	**4,570**	**1,060**	**3%**
YoY Change (%)	*23.8*	*10.3*	*7.6*	*0.7*	*4.5*	*3.3*	*1.1*	*3.0*	*9.5*	*3.0*	*-13.9*	
Margin (%)	*19.2*	*20.9*	*19.0*	*20.5*	*15.6*	*17.2*	*16.0*	*18.4*	*19.9*	*16.8*	*18.3*	

Particulars	Actual/ Revised		Previous		Change (%)	
	FY27E	FY28E	FY27E	FY28E	FY27E	FY28E
Revenue (INR m)	27,151	31,162	24,283	29,179	12	7
EBITDA (INR m)	7,093	8,598	7,291	8,942	-3	-4
PAT (INR m)	4,570	5,691	4,749	5,928	-4	-4
EPS (INR)	44.1	54.9	45.8	57.2	-4	-4

Equitas Small Finance Bank

Estimate change	⬆
TP change	⟷
Rating change	⟷

Bloomberg	EQUITASB IN
Equity Shares (m)	1144
M.Cap.(INRb)/(USDb)	83.7 / 0.9
52-Week Range (INR)	84 / 50
1, 6, 12 Rel. Per (%)	-3/10/25
12M Avg Val (INR M)	266

Financials & Valuations (INR b)

Y/E March	FY26	FY27E	FY28E
NII	33.9	43.1	50.7
OP	12.6	17.5	21.8
NP	1.0	7.7	10.6
NIM (%)	6.8	7.4	7.3
EPS (INR)	0.9	6.8	9.3
BV/Sh. (INR)	54	58	66
ABV/Sh. (INR)	52	56	64
Ratios			
RoA (%)	0.2	1.2	1.4
RoE (%)	1.7	12.2	15.1
Valuations			
P/E(X)	80.8	10.8	7.8
P/BV (X)	1.4	1.3	1.1
P/ABV (X)	1.4	1.3	1.1

Shareholding Pattern (%)

As On	Jun-26	Mar-26	Jun-25
Promoter	0.0	0.0	0.0
DII	51.3	50.9	47.1
FII	15.7	14.7	16.3
Others	33.0	34.4	36.6

FII includes depository receipts

CMP: INR73 **TP: INR90 (+23%)** **Buy**

Margin contracts 12bp QoQ; maintains 1.5% exit RoA guidance

Asset quality improves

- Equitas SFB (EQUITASB) reported 1QFY27 PAT of INR1.8b (16% beat) amid healthy other income and controlled provisioning.
- NII grew 31% YoY/5% QoQ to INR10.3b (in line). NIM contracted 12bp QoQ to 7.24%, led by an 11bp QoQ increase in cost of funds to 7.05%.
- Net advances grew healthy at 28.8% YoY/4.6% QoQ to INR447b. MFI business grew 4.6% QoQ. Deposits grew 10.4% YoY/grew 5.2% QoQ. CASA ratio moderated 108bp QoQ to 25.1%.
- Slippages increased to INR4.0b from INR3.5b in 4QFY26 (up 16% YoY/down 40% QoQ). GNPA/NNPA ratios improved 19bp/1bp QoQ to 2.42%/0.71%. PCR declined to 71.0%.
- We have increased our earnings estimates by 10%/7% in FY27/FY28 and estimate an RoA/RoE of 1.2%/12.2% by FY27. **Reiterate BUY with a TP of INR90 (1.4x FY28E ABV).**

Growth guidance at 20% YoY; NIM contracts 12bp QoQ

- EQUITASB reported 1QFY27 PAT of INR1.8b (16% beat), aided by healthy other income and controlled provisions.
- NII grew 31% YoY/5% QoQ to INR10.3b (in line). NIM contracted 12bp QoQ to 7.24% in 1QFY27, as CoF increased 11bp QoQ to 7.05% following upward revisions in SA and TD rates during the quarter, despite a 23bp improvement in yield on gross advances.
- Other income declined 12% YoY/3% QoQ to INR2.6b (6% beat). Treasury income stood at INR310m in 1QFY27. Total revenue, thus, grew 19% YoY/3.3% QoQ to INR12.8b (broadly in line).
- Opex grew 15.4% YoY/4.6% QoQ to INR8.8b (in line). Provisions declined 74% YoY/declined 30% QoQ to INR1.6b (5% lower than MOFSLe). PPoP, thus, stood at INR3.7b (up 92% YoY and down 8% QoQ, 6% beat).
- Advances grew by a healthy 28.8% YoY/4.6% QoQ to INR447b. MFI (inc DA) grew 4.6% QoQ. HF posted healthy growth, rising 4.5% QoQ. VF loan grew 15% YoY/3% QoQ, led by 6.7% QoQ growth in used cars. New CVs declined by 2% QoQ/15% YoY.
- Deposits grew 10.4% YoY/5.2% QoQ. CASA ratio moderated 108bp QoQ to 25.1%. As result, CD ratio declined marginally to 91.3%. Disbursements declined to INR67.8b (up 93% YoY and down 7.7% QoQ).
- On the asset quality front, slippages increased to INR4.0b from INR3.5b in 4QFY26. GNPA/NNPA ratios improved 19bp/1bp QoQ to 2.42%/0.71%. PCR declined to 71.0% from 73.0%. Credit costs rose to 1.37% from 1.11% in 4Q, driven by seasonality in the vehicle and MFI book.

Highlights from the management commentary

- The company has maintained its FY27 RoA guidance of 1.2%, with an exit RoA guidance of ~1.5%. The bank suggested that there could be an upward revision in the guidance next quarter.
- Increase in TD and SA rates is expected to drive higher CoF. NIM is expected to settle at ~7.1% over the next two to three quarters.
- Loan growth is expected to remain strong at ~20% YoY.
- Management reiterated that no stress has emerged from geopolitical developments, while the secured portfolio continues to benefit from extensive guarantee cover.

Valuation and view: Reiterate BUY with a TP of INR90

EQUITASB reported a steady quarter with healthy earnings, driven by other income and lower provisions. Margin contracted 12bp QoQ, driven by an increase in funding costs. The bank expects to sustain full-year NIM at ~7.1 %, with CoF likely having peaked following SA and TD rate hikes. Operating expenses may see some moderation in the coming quarters, driving an increase in RoA. Advances growth was healthy, led by traction in MFI, VF, SBL, and HL segments. The bank also expects the CD ratio to be maintained at current levels. The decline in CASA ratio could exert some pressure on NIMs. On asset quality, GNPA and NNPA ratios improved, with credit costs expected to remain broadly stable. There has been no immediate impact from the West Asia conflict, although the bank remains cautious about rising fuel costs, given its standard asset provision in the MFI segment. We have increased our earnings estimates by 10%/7% in FY27/FY28 and expect RoA/RoE of 1.2%/12.2% by FY27E. Reiterate BUY with a TP of INR90 (1.4x FY28E ABV).

Quarterly Performance — INRb

Y/E March (INR b)	FY26				FY27E				FY26	FY27E	FY27E	v/s
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	Est
Net Interest Income	**7.9**	**7.7**	**8.5**	**9.8**	**10.3**	**10.6**	**10.9**	**11.3**	**33.9**	**43.1**	**10.2**	**1%**
% Change (YoY)	-2.0	-3.6	4.1	18.2	31.0	37.1	28.5	15.3	4.3	27.2	29.9	
Other Income	2.9	2.3	2.9	2.6	2.6	2.7	2.9	3.0	10.7	11.2	2.4	6%
Total Income	**10.8**	**10.0**	**11.4**	**12.4**	**12.8**	**13.3**	**13.8**	**14.3**	**44.6**	**54.3**	**12.6**	**2%**
Operating Expenses	7.6	7.6	8.3	8.4	8.8	9.0	9.4	9.7	32.0	36.9	8.8	0%
Operating Profit	**3.1**	**2.4**	**3.1**	**4.0**	**4.0**	**4.3**	**4.5**	**4.7**	**12.6**	**17.5**	**3.8**	**5%**
% Change (YoY)	-7.5	-31.2	-7.7	29.3	28.6	77.8	44.9	16.3	-5.2	38.0	21.9	
Provisions	6.1	2.1	1.9	1.2	1.6	1.8	1.8	1.9	11.4	7.1	1.7	-7%
Profit before Tax	**-3.0**	**0.3**	**1.1**	**2.8**	**2.4**	**2.5**	**2.6**	**2.8**	**1.3**	**10.4**	**2.1**	**16%**
Tax	-0.7	0.1	0.2	0.7	0.6	0.6	0.7	0.7	0.3	2.6	0.5	14%
Net Profit	**-2.2**	**0.2**	**0.9**	**2.1**	**1.8**	**1.9**	**2.0**	**2.1**	**1.0**	**7.7**	**1.6**	**16%**
% Change (YoY)	-968.7	87.4	35.8	405.2	NA	680.0	118.8	-3.1	-29.9	651.6	-170.6	
Operating Parameters												
Deposits	444	441	437	465	490	502	526	554	465	554	481	2%
Loans	347	364	398	428	447	462	484	508	428	508	442	1%
Deposit Growth (%)	18.3	10.6	7.2	7.9	10.4	13.8	20.5	19.0	7.9	19.0		
Loan Growth (%)	8.8	7.0	12.6	18.1	28.8	27.1	21.4	18.8	18.1	18.8		
Asset Quality												
Gross NPA (%)	2.92	2.92	2.75	2.60	2.42	2.37	2.28	2.25	2.60	2.25	2.58	
Net NPA (%)	0.98	0.98	0.92	0.72	0.71	0.70	0.67	0.67	0.72	0.67	0.72	
PCR (%)	67.0	66.9	67.1	73.0	71.0	71.2	71.0	70.8	73.0	70.8	72.7	

E: MOFSL Estimates

Capital Market

The AA network now comprises 17 licensed AAs, 176 live FIPs, 1,076 live FIUs and ~314.5m linked accounts, making it one of the world's fastest-growing regulated Open Finance infrastructures.

FIU Category	Share of annual successful consents (%)
Lending	~62%
Capital Markets	~35%
Insurance	~1%
Others	~2%

Account Aggregator: The next major digital public infrastructure

Unlocking the next phase of open finance

- **The account aggregator (AA) ecosystem has entered the next phase of commercialization, with cumulative consent requests rising to 493.5m as of Jun'26 from**
- **Information Providers (FIPs), 1,076 live Financial Interface Users (FIUs) and ~314.5m linked accounts, making it one of the world's fastest-growing regulated Open Finance infrastructures.**
- **While lending remains the largest use case (~62% of successful consents), adoption is broadening rapidly across capital markets (~35%), insurance and enterprise workflows. Cumulative PFM (personal finance mgmt.) users reached ~59.6m, and 8.8m F&O accounts verifications were completed in FY26, reflecting increasing integration into recurring financial workflows.**
- **The next leg of growth is expected to be driven by AI-enabled financial services, cash-flow based MSME lending, embedded finance and recurring consent architectures, positioning AA as India's trusted financial data layer rather than a one-time consent infrastructure.**
- **Supportive regulation continues to strengthen the ecosystem through the RBI's recognition of Sahamati as the SRO-AA, implementation of the DPDP Act, emerging AI governance frameworks, improving interoperability, customer trust, and long-term scalability.**
- **Among listed players, CAMS Finserv is best positioned to benefit by leveraging its established financial infrastructure and enterprise relationships. While AA remains a small revenue contributor today for CAMS, growing Open Finance adoption should meaningfully enhance its long-term strategic value. We maintain BUY on CAMS.**

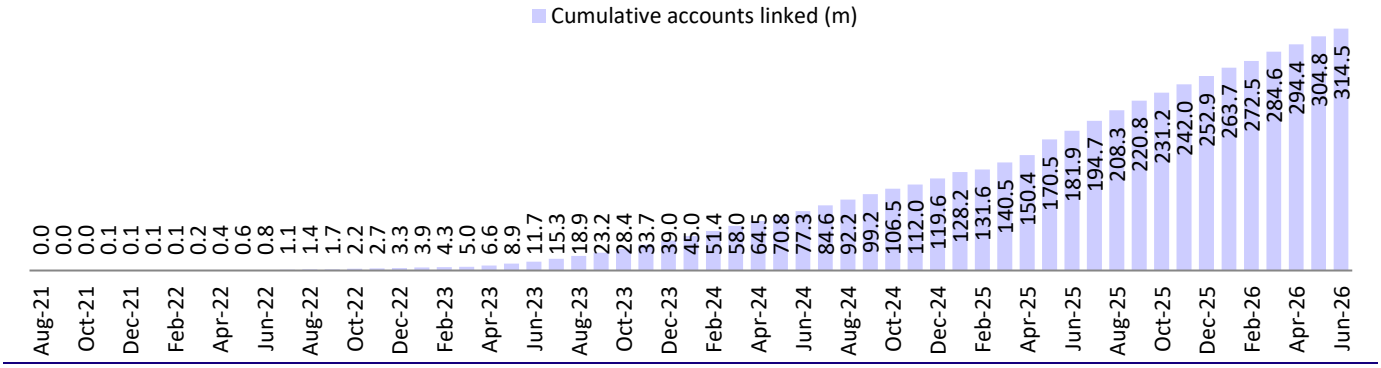
Enabler of faster and more secure financial data sharing

- The AA framework, introduced by the RBI, has emerged as the foundation of India's Open Finance ecosystem by enabling secure, consent-based sharing of financial information. Today, over **2.9b** financial accounts are AA-enabled across banking, capital markets, insurance and pension products.
- Commercial adoption has accelerated rapidly since the network went live in 2021. The ecosystem has expanded to **17 licensed AAs, 176 live FIPs and 1,076 live FIUs**, while cumulative consent requests have increased to **493.5m (Jun'26)** from just **0.3m (Apr'22)**, growing at ~5% MoM. Linked accounts have reached **314.5m**, making AA the world's fastest-growing regulated Open Finance network.
- The ecosystem's rapid scale-up has been supported by coordinated regulatory adoption, India's mature digital public infrastructure (UPI, Aadhaar, DigiLocker, etc.) and expanding production use cases across lending, wealth management, insurance and capital markets.
- As the adoption broadens from just one-time onboarding to recurring financial workflows, AA has the potential to become the 'UPI for financial data'—creating a trusted financial data layer that enables faster decision-making, lower processing costs, improved customer experience and new monetization opportunities across the financial ecosystem.

AA ecosystem of India (as of Mar'25)

Source: MOFSL, Sahamati

Surge in accounts linked with FIPs since the operational launch of AAs in 2021



Source: MOFSL, Sahamati

Automobiles

Retail demand trends seem encouraging across segments

Retail demand trends in Jul'26 appear strong and broad-based, with all segments expected to record double-digit growth. Strong retails, lean channel inventory, capacity expansion by OEMs and the recent launches should support healthy wholesale volume growth in Jul'26 across segments. In PVs, we expect the four listed PV OEMs to deliver an aggregate 25% wholesale growth. Within PVs, we expect TMPV and MSIL to outperform the market, while HMIL is expected to post low-single-digit growth. We also expect M&M to gradually revive its production with the normalization of supply chain issues. In 2Ws, we expect the four listed OEMs to report 20% volume growth in Jul'26, largely led by strong exports and healthy demand in the premium segment. Further, CV retails seem to have picked up well and hence we expect the top three CV OEMs to post ~23% aggregate volume growth for the month. In addition, tractors continue to witness healthy demand in the month. Accordingly, we expect the top two tractor OEMs to post about 26% YoY growth in wholesales for July. Given the stable demand momentum and easing input cost pressure, we expect renewed investor interest in the sector over the coming quarters. Our top OEM picks are MSIL, TVSL and MM. Among auto ancillaries, our top picks are Unominda, MSWIL, SAMIL and Endurance.

- **PVs:** Demand remains healthy in July, with retails likely to grow 19% YoY during the month. As such, the channel inventory remains lean for most OEMs. We expect MSIL and TMPV to outperform industry growth with strong double-digit growth, given a healthy order backlog. For TMPV, the recently launched Sierra, Sierra EV and Punch EV are expected to continue to boost wholesales. MSIL's wholesale volume growth is expected to be supported by a healthy order backlog, low channel inventory, the ramp-up of incremental capacity at Kharkhoda and Gujarat and the recently launched Brezza upgrade. We also expect MM to post steady volume growth, led by the normalization of supply issues. For HMIL, wholesale is likely to be muted on account of weak retails and lower exports, driven by higher Middle East exposure. Overall, for July, we expect the four listed PV players to post aggregate growth of 25% YoY in dispatches, largely driven by MSIL and TMPV.
- **2Ws:** July retails are expected to remain healthy at ~17% growth. For July, we expect 20% volume growth in dispatches for the four listed companies, aided by inventory normalization and steady retail. Growth is expected to be led by TVSL, BJAUT and RE. For BJAUT, healthy double-digit volume growth would be largely driven by stable momentum in exports. We expect HMCL to underperform the industry with single-digit volume growth, as demand for up-to-125cc motorcycles continues to underperform the premium segment demand.
- **CVs:** After the de-escalation in the West Asia conflict, CV retails seem to have recovered and are expected to record 20%+ volume growth in July. According to current trends in Vahan, TMCV continues to outperform peers, with healthy double-digit growth. Overall, we expect the top three players in this segment to post ~23% YoY growth in dispatches in July, largely over a low base of last year.
- **Tractors:** This segment continues to witness healthy demand trends even in FY27, led by positive terms of trade for farmers and healthy reservoir levels. Tractor retails are seeing robust growth in Vahan so far. Demand momentum is likely to remain healthy in the tractor segment, at least in 1H. Overall, we expect the two listed players in this segment to post healthy 26% YoY volume growth in July in dispatches.

- **Valuation and view:** The demand momentum has remained healthy for all segments in July. Overall, 1Q is likely to witness cost pressure, though it is expected to subside in the coming quarters. Given the sustained demand momentum and easing input cost pressure, we expect renewed investor interest in the sector over the coming quarters. Our top OEM picks are MSIL, TVSL and MM. Among auto ancillaries, our top picks are Unominda, MSWIL, SAMIL and Endurance.

Auto OEM sales estimates for Jul'26

Company Sales	July-26	July-25	YoY (%) chg	June-26	MoM (%) chg	YTD FY27	YTDFY26	(%) chg	FY27E	Gr. (%)
Maruti Suzuki	**2,29,979**	**1,80,526**	**27.4**	**2,00,390**	**14.8**	**9,12,703**	**7,08,387**	**28.8**	**28,22,268**	**16.5**
Domestic	1,88,711	1,48,781	26.8	1,57,622	19.7	7,46,699	5,79,670	28.8	23,03,453	16.6
Export	41,269	31,745	30.0	42,768	-3.5	1,66,005	1,28,717	29.0	5,18,814	15.9
Hyundai Motor	**62,055**	**60,073**	**3.3**	**51,335**	**20.9**	**2,40,137**	**2,40,472**	**-0.1**	**8,37,086**	**8.0**
Domestic	48,370	43,973	10.0	39,635	22.0	1,87,744	1,76,232	6.5	6,27,948	7.4
Exports	13,685	16,100	-15.0	11,700	17.0	52,393	64,240	-18.4	2,09,138	10.0
Mahindra & Mahindra	**1,41,200**	**1,12,399**	**25.6**	**1,67,461**	**-15.7**	**6,03,662**	**4,93,737**	**22.3**	**18,08,625**	**10.1**
UV	59,845	49,871	20.0	60,393	-0.9	2,34,590	2,01,938	16.2	7,58,838	14.9
Tractors	35,885	28,708	25.0	59,935	-40.1	1,93,926	1,62,797	19.1	5,31,667	1.0
Escorts Kubota	**9,161**	**7,154**	**28.1**	**13,695**	**-33.1**	**46,023**	**37,735**	**22.0**	**1,39,017**	**4.0**
Tata Motors CV	**36,959**	**28,956**	**27.6**	**40,805**	**-9.4**	**1,45,447**	**1,14,562**	**27.0**	**4,72,530**	**10.3**
Tata Motors PV	**60,618**	**40,175**	**50.9**	**63,083**	**-3.9**	**2,43,192**	**1,64,984**	**47.4**	**7,28,067**	**13.5**
Hero MotoCorp	**4,75,000**	**4,49,755**	**5.6**	**5,41,159**	**-12.2**	**21,52,313**	**18,16,825**	**18.5**	**69,46,808**	**7.4**
Bajaj Auto	**4,56,011**	**3,66,000**	**24.6**	**4,63,202**	**-1.6**	**18,94,262**	**14,77,237**	**28.2**	**60,85,668**	**18.9**
Domestic	2,02,050	1,83,143	10.3	2,09,837	-3.7	9,08,128	8,17,951	11.0	30,81,323	7.5
Exports	2,53,961	1,82,857	38.9	2,53,365	0.2	9,86,134	6,59,286	49.6	30,04,345	33.5
TVS Motor	**5,83,146**	**4,56,350**	**27.8**	**5,90,003**	**-1.2**	**22,13,704**	**17,33,522**	**27.7**	**67,88,003**	**33.5**
Domestic	4,11,991	3,13,721	31.3	4,17,648	-1.4	15,74,195	12,38,431	27.1	49,53,853	15.1
Exports	1,71,155	1,42,629	20.0	1,72,355	-0.7	6,39,509	4,95,091	29.2	18,34,151	15.7
Eicher Motors										
Royal Enfield	**1,11,200**	**88,045**	**26.3**	**1,14,032**	**-2.5**	**4,41,627**	**3,53,573**	**24.9**	**14,21,087**	**14.7**
VECV	**8,190**	**7,115**	**15.1**	**9,519**	**-14.0**	**33,005**	**28,727**	**14.9**	**1,09,959**	**6.2**
Ashok Leyland	**17,540**	**15,064**	**16.4**	**19,194**	**-8.6**	**66,303**	**59,302**	**11.8**	**2,26,074**	**2.6**
M&HCV	10,950	9,529	14.9	12,156	-9.9	40,374	37,600	7.4	1,44,777	1.5
LCV	6,590	5,535	19.1	7,038	-6.4	25,929	21,702	19.5	81,296	4.5

Prestige Estates Projects

BSE SENSEX	S&P CNX
77,655	24,250

Conference Call Details

Date: 30 July 2026
Time: 15:30 IST
Dial-in details:
+91-22 6280 1145 / +91 22 7115 8046

Financials & Valuations (INR b)

Y/E Mar	FY26	FY27E	FY28E
Sales	126.9	143.2	176.5
EBITDA	37.1	43.1	54.0
EBITDA Margin (%)	29.2	30.1	30.6
PAT	12.0	15.8	24.1
EPS (INR)	27.8	36.7	55.9
EPS Gr. (%)	133.0	362.6	279.9
BV/Sh. (INR)	377.8	413.1	467.5
Ratios			
RoE (%)	7.5	9.3	12.7
RoCE (%)	8.8	10.0	11.5
Payout (%)	7.2	4.1	2.7
Valuations			
P/E (x)	60.3	45.5	29.9
P/BV (x)	4.4	4.1	3.6
EV/EBITDA (x)	22.8	19.8	15.8
Div yld (%)	0.1	0.1	0.1

CMP: INR1,673 — Buy

In-line operational performance

Hyderabad launch drives presales; strong BD

- 1QFY27 sales stood at ~INR65.8b, which declined 46% YoY due to the high base last year, but were in line with our estimates. Sales volume stood at 6.04msf, with 3,337 units sold overall. The company launched three residential projects with a combined developable area of 17.23msf and estimated GDV of ~INR120b, comprising Prestige Golden Grove, Hyderabad (14.30msf), Prestige Gardenia Estates Phase II, Bengaluru (0.48msf), and Prestige Forest Hills @ TPC Mulund Phase II, Mumbai (2.45msf). Hyderabad contributed 49% to quarterly sales, followed by Bengaluru (27%), Mumbai (12%), NCR (7%), and other markets (5%). The top three projects that contributed to 1Q presales were Prestige Golden Grove, Hyderabad (INR29.9b), Evergreen @ Prestige Raintree Park, Bengaluru (INR7.5b), and TPC Indirapuram, NCR (INR6.9b).
- The company completed two residential projects with a combined area of 0.73msf, comprising Prestige Sanctuary, Bengaluru (0.43msf) and Prestige Cityscape, Kochi (0.30msf).
- Business development remained robust, with ~INR178b of GDV added across three projects in Mumbai covering 29 acres.
- Collections remained strong at INR48.0b during the quarter, up 6% YoY (6% beat on our estimates), while OCF was down 18% YoY at INR14.9b. Net debt increased by INR10b to INR119b in 1QFY27 on account of increased BD activity, while net debt-to-equity ratio stood at 0.69x. Cost of debt declined to 9.31%.

Strong leasing activity and retail demand underpin annuity growth

Commercial leasing momentum remained healthy with gross leasing of 1.5msf during the quarter, while exit rentals for the office portfolio stood at INR7.6b as of June 2026. The retail portfolio continued to deliver strong operating performance, with mall turnover (GTO) increasing 18% YoY to INR7.4b and footfalls reaching 5.2m during the quarter, reflecting sustained consumer demand and retailer confidence. Exit rentals for the retail portfolio stood at INR2.8b as of June 2026.

Financial performance

In 1QFY27, revenue stood at INR26.8b, up 16% YoY. EBITDA stood at INR8.6b, down 4% YoY (in line with estimates), with margins at 32.1%. PAT stood at INR2.4b, down 19% YoY (10% below estimates).

Quarterly Performance

Y/E March	FY26				FY27E				FY26	FY27	FY27 1Q Est.	1QE Variance (%/bp)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Net Sales	**23,073**	**24,317**	**38,726**	**40,738**	**26,751**	**30,491**	**38,932**	**47,050**	**1,26,854**	**1,43,224**	**33,012**	**-19**
YoY Change (%)	23.9	5.5	134.1	166.5	15.9	25.4	0.5	15.5	72.6	12.9	43.1	
Total Expenditure	14,135	15,219	30,126	30,283	18,155	21,117	26,841	34,001	89,763	1,00,113	24,421	
EBITDA	**8,938**	**9,098**	**8,600**	**10,455**	**8,596**	**9,374**	**12,091**	**13,049**	**37,091**	**43,110**	**8,591**	**0**
Margins (%)	38.7	37.4	22.2	25.7	32.1	30.7	31.1	27.7	29.2	30.1	26.0	610.8
Depreciation	2,162	2,186	2,335	2,378	2,257	2,370	2,488	3,887	9,061	11,002	2,497	
Interest	3,839	3,851	3,838	4,296	4,184	4,393	4,613	6,292	15,824	19,482	4,511	
Other Income	1,614	2,661	129	697	1,605	2,043	2,608	3,340	5,101	9,596	2,212	
PBT before EO expense	**4,551**	**5,722**	**2,556**	**4,478**	**3,760**	**4,654**	**7,599**	**6,210**	**17,307**	**22,222**	**3,796**	**-1**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0	0	
PBT	**4,551**	**5,722**	**2,556**	**4,478**	**3,760**	**4,654**	**7,599**	**6,210**	**17,307**	**22,222**	**3,796**	**-1**
Tax	1,271	1,266	336	1,209	943	1,098	1,792	1,408	4,082	5,241	895	
Rate (%)	27.9	22.1	13.1	27.0	25.1	23.6	23.6	22.7	23.6	23.6	23.6	
MI & P/L of Asso. Cos.	355	153	-6	768	458	246	314	137	1,270	1,154	266	
Reported PAT	**2,925**	**4,303**	**2,226**	**2,501**	**2,359**	**3,311**	**5,493**	**4,665**	**11,955**	**15,827**	**2,634**	
Adj PAT	**2,925**	**4,303**	**2,226**	**2,501**	**2,359**	**3,311**	**5,493**	**4,665**	**11,955**	**15,827**	**2,634**	**-10**
YoY Change (%)	25.8	123.9	1,157.6	900.4	-19.4	-23.1	146.8	86.5	155.7	32.4	-9.9	
Margins (%)	12.7	17.7	5.7	6.1	8.8	10.9	14.1	9.9	9.4	11.1	8.0	

Source: Company, MOFSL. **We may revisit our estimates after the conference call**

Balkrishna Industries

BSE SENSEX	S&P CNX
77,655	24,250

Conference Call Details

Date: 30th Jul 2026
Time: 11 AM IST
Dial-in details: [Link]
+91 22 6280 1317/
+91 22 7115 8218

Financials & Valuations (INR b)

Y/E March	FY26	FY27E	FY28E
Sales	106.6	124.0	142.4
EBITDA	24.6	28.1	33.8
Adj. PAT	12.4	15.3	18.9
EPS (Rs)	64.3	79.2	98.0
EPS Growth (%)	-24.9	23.1	23.8
BV/Share (INR)	566.8	627.9	703.9
Ratios			
RoE (%)	11.6	13.3	14.7
RoCE (%)	10.1	10.4	11.6
Payout (%)	24.9	22.7	22.4
Valuations			
P/E (x)	32.4	26.3	21.2
P/BV (x)	3.7	3.3	3.0
Div. yield (%)	0.8	0.9	1.1
FCF yield (%)	-1.9	0.1	1.2

CMP: INR2,082 — Neutral

In-line margins; MTM gains lead to earnings beat

- BKT's 1Q revenues at INR34.1b were above our estimates of INR30.4b, having grown 16.2% YoY, largely led by strong volume and realization growth.
- **Volumes grew 16.2% YoY** to **93,770 MT (+9% QoQ)**, ahead of our estimate of 87,117 MT.
- Blended ASPs were also up 6.3% YoY to ~INR364k per ton and broadly in line with our estimate of INR349k per ton.
- EBITDA was up ~7% YoY to INR7b (broadly in-line with our estimate of INR6.7b). EBITDA margin contracted ~320bp YoY (-233bp QoQ) to 20.6% (slightly below our estimate of 22%).
- The MTM gain of INR570m in 1QFY27 boosted profitability.
- As a result, Adj. PAT grew 50% YoY to INR4.3b, ahead of our estimate of INR3.7b.
- The Board declared an INR4/share interim dividend.
- BKT started supplies of TBR tyres in Apr'26. Additionally, a 2W product portfolio has been introduced with select products targeting domestic markets. PCR tyres will be launched as scheduled.
- **Valuation view:** The stock currently trades at 26.3x FY27E and at 21.2x FY28E EPS.

Quarterly Earning Model (Standalone) (INR M)

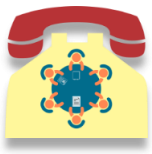
Y/E March	FY26				FY27E				FY26	FY27E	FY27	VAR
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	(%)
Volumes (Ton)	**80,664**	**70,252**	**80,620**	**85,820**	**93,770**	**84,302**	**86,263**	**84,327**	**317,356**	**348,663**	**87,117**	**7.6**
YoY Change (%)	-3.5	-4.2	5.6	4.6	16.2	20.0	7.0	-1.7	0.7	9.9	8.0	
Realizations (INR '000/ton)	**342.1**	**330.3**	**332.8**	**337.2**	**363.5**	**353.5**	**356.1**	**348.3**	**335.8**	**355.6**	**348.9**	**4.2**
YoY Change (%)	4.3	-1.8	-1.2	-2.5	6.3	7.0	7.0	3.3	-0.3	5.9	2.0	
Net Revenues	**27,594**	**23,207**	**26,827**	**28,942**	**34,087**	**29,797**	**30,714**	**29,372**	**106,560**	**123,970**	**30,398**	**12.1**
YoY Change (%)	0.7	-5.8	4.3	2.0	23.5	28.4	14.5	1.5	0.4	16.3	10.2	
EBITDA	**6,560**	**4,999**	**6,134**	**6,632**	**7,016**	**6,641**	**6,880**	**7,148**	**24,232**	**27,685**	**6,696**	**4.8**
Margins (%)	23.8	21.5	22.9	22.9	20.6	22.3	22.4	24.3	22.7	22.3	22.0	**-140bp**
YoY Change (%)	-8.1	-19.2	-4.0	-5.7	6.9	32.9	12.2	7.8	-9.6	322.0	2.1	
Depreciation	1,862	1,901	1,921	1,955	2,033	2,150	2,210	2,376	7,640	8,770	2,100	
Interest	290	319	420	440	420	390	410	405	1,470	1,625	400	
Forex loss/(gain)	1,540	10	-360	250	-570	0	0	0	1,440	0	0	
Other Income	1,042	709	768	-36	680	600	650	647	-36	2,480	600	
PBT before EI	**3,910**	**3,478**	**4,920**	**3,950**	**5,813**	**4,701**	**4,910**	**5,013**	**16,162**	**19,867**	**4,796**	**21.2**
Extra-Ord expense	0	0	83	0	0	0	0	0	83	0	0	
PBT	**3,910**	**3,478**	**4,837**	**3,950**	**5,813**	**4,701**	**4,910**	**5,013**	**16,079**	**19,867**	**4,796**	**21.2**
Rate (%)	26.6	23.7	22.4	25.3	25.8	23.0	23.0	16.9	24.4	24.0	23.0	
Adj PAT	**2,869**	**2,652**	**3,817**	**2,951**	**4,314**	**3,620**	**3,781**	**4,163**	**12,412**	**15,308**	**3,693**	**16.8**
YoY Change (%)	-39.9	-24.1	-13.2	-18.5	50.4	36.5	-1.0	41.1	-23.8	23.3	28.7	

E: MOFSL Estimates

Star Health

BSE SENSEX	S&P CNX
77,655	24,250

Conference Call Details



Date: 30th July 2026
Time: 08:30am IST
Link for the call

Financials & Valuations (INR b)

Y/E March	2026	2027E	2028E
Revenue	180.0	208.8	242.2
Service result	13.3	16.0	18.8
PBT	12.3	20.6	22.0
PAT	9.1	15.5	16.5
Ratios (%)			
Claims	68.2	68.0	68.0
Expense	30.2	30.1	29.9
CISR	98.4	98.1	97.9
RoE	10.0	14.9	13.8
EPS (Rs)	15.5	26.3	28.0
Valuations			
P/E (x)	38.7	22.8	21.4
P/BV (x)	3.7	3.2	2.8

CMP: INR599 — Buy

Revenue in line; 9% beat in operating performance

- Insurance revenue grew 13% YoY in 1QFY27 to INR49.2b (in line).
- Claims at INR33.2b grew 12% YoY (5% below estimates), reflecting claims ratio of 67.5%% (MOFSLe of 68.2%).
- Operating expenses grew 13% YoY to INR11.5b (in line), driven by 22% YoY growth in employee costs to INR3b, 17% YoY growth in commission to INR6.6b, and 22% YoY growth in other expenses.
- Operational efficiency and better-than-expected claims management resulted in 47% YoY growth in insurance service to INR4.2b (9% beat).
- Combined insurance service ratio at 97.1% (MOFSLe of 98.1%) improved 150bp YoY.
- Investment income at INR6.4b was in line with our estimate, up 10% YoY.
- PAT at INR5.5b grew 25% YoY (6% beat).

Valuation and view

Star Health maintained double-digit revenue growth in 1QFY27, with strong premium growth (18-20%), driven by GST exemption. We remain optimistic about the overall prospects for Star Health, backed by: a) consistent growth in retail health, given its under-penetration and GST exemption, b) improving claims management, and c) operational efficiency with scale. We believe that Star Health can deliver long-term growth with the investments made in profitable channels and products. We may review our estimates and TP after the concall on 30th Jul'26.

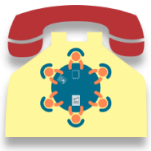
Quarterly Performance

Y/E March	FY26				FY27	FY26	FY27E	1Q	Act v/s	YoY	QoQ
	1Q	2Q	3Q	4Q	1Q			FY27E	Est. (%)	(%)	(%)
Insurance revenue	**43,364**	**44,290**	**45,619**	**46,711**	**49,172**	**1,79,986**	**2,08,783**	**51,165**	-3.9	13.4	5.3
YoY growth (%)	14.4	11.8	11.5	13.9	13.4	12.9	16.0	18.0			
Claims	29,714	31,430	31,425	30,171	33,184	1,22,744	1,41,973	34,894	-4.9	11.7	10.0
Operating expenses	10,183	10,270	10,754	11,193	11,531	42,399	49,064	11,973	-3.7	13.2	3.0
Insurance service expenses	**39,896**	**41,700**	**42,179**	**41,364**	**44,714**	**1,65,144**	**1,91,037**	**46,867**	-4.6	12.1	8.1
Net reinsurance expenses	589	450	200	301	207	1,538	1,784	409	-49.4	-64.9	-31.2
Insurance service result	**2,878**	**2,140**	**3,240**	**5,046**	**4,251**	**13,304**	**15,962**	**3,889**	9.3	47.7	-15.8
Investment income	5,864	1,650	5,687	-2,296	6,437	10,908	18,254	6,348	1.4	9.8	NA
Finance cost	425	180	171	173	388	948	1,137	280	38.6	-8.6	124.3
Other expenses	2,437	2,500	2,816	3,174	2,883	10,924	12,451	3,056	-5.7	18.3	-9.2
PBT	5,881	1,110	5,940	-597	7,417	12,340	20,628	6,901	7.5	26.1	NA
Tax	1,499	320	1,453	-43	1,920	3,230	5,157	1,725	11.3	28.1	NA
PAT	**4,382**	**790**	**4,487**	**-554**	**5,497**	**9,110**	**15,471**	**5,175**	6.2	25.5	NA
YoY growth (%)	43.7	-36.8	409.8	NA	25.5	15.8	69.8	18.2			
Ratios (%)											
Claims ratio	68.5	71.0	68.9	64.6	67.5	68.2	68.0	68.2	-71.5	-104	289
CISR	98.7	100.5	98.8	95.7	97.1	98.4	98.1	98.1	-99.1	-155	145

Piramal Pharma

BSE SENSEX	S&P CNX
77,655	24,250

Conference Call Details



Date: 30th Jul 2026
Time: 9:30 am IST
Dial-in details:
Zoom Link

Financials & Valuations (INR b)

Y/E MARCH	FY26	FY27E	FY28E
Sales	88.7	101.3	114.2
EBITDA	9.2	12.5	15.6
Adj. PAT	(1.3)	1.0	3.0
EBIT Margin (%)	1.0	3.6	5.6
Cons. Adj. EPS (INR)	(1.0)	0.8	2.2
EPS Gr. (%)	NA	NA	184.5
BV/Sh. (INR)	68.4	69.3	71.8
Ratios			
Net D:E	0.5	0.5	0.5
RoE (%)	(1.6)	1.3	3.5
RoCE (%)	4.2	1.7	3.3
Payout (%)	-	17.6	17.6
Valuations			
P/E (x)	NA	249.2	87.6
EV/EBITDA (x)	33.0	24.4	19.7
Div. Yield (%)	-	0.1	0.2
FCF Yield (%)	0.0	0.0	0.0
EV/Sales (x)	3.4	3.0	2.7

CMP: INR196

Better-than-expected operational performance

- Piramal Pharma's (PIRPHARM) revenue grew 17.4% YoY to INR22.7b for the quarter (our est: INR21.3b).
- CDMO segment (52% of total sales) revenue grew 19% YoY to INR11.9b.
- Complex hospital generics segment (CHG; 33% of total sales) revenue grew 17% YoY to INR7.4b.
- India consumer healthcare segment (ICH; 15% of total sales) revenue grew 15% YoY to INR3.5b.
- Gross margin contracted 160bp YoY to 61.6%.
- However, EBITDA margin expanded 310bp YoY to 8.6% (our est: 6.5%), largely driven by a decline in employee costs (down 220bp YoY) and other expenses (down 250bp) as % of sales.
- EBITDA grew 82.9% YoY to INR2.0b (our est: INR1.4b).
- Net loss came in at INR694m vs our estimated loss of INR1,176m, driven by better operational leverage.

Other highlights

- **CDMO:**
  - Broad-based growth was seen across India and global sites, supported by healthy order inflows and improved commercial execution.
  - Margin expansion was driven by higher capacity utilization, pricing discipline, and operational efficiencies despite inflationary pressures.
  - Long-term capabilities have been strengthened through commercial-scale ADC capacity expansion, strategic technology partnerships, and continued regulatory excellence (Sellersville EIR; zero OAI track record).
- **CHG:**
  - Profitable growth was driven by premiumization, pricing actions, and cost optimization, helping offset raw material inflation.
  - Kenalog acquisition integration is progressing well, with technology transfer and supply readiness on track. Commercial supplies are expected to commence from 2QFY27.
  - It maintained leadership in key hospital products, including #1 position in US Sevoflurane (48% value share) and intrathecal Baclofen, while continuing investments in differentiated and specialty products.
- **ICH:**
  - Power brands remained the key growth driver, growing 23% YoY and contributing 53% to Consumer Healthcare sales.
  - E-commerce momentum remained strong, with 40% YoY growth and increasing contribution to 28% of sales.
  - It continued brand investments with the launch of the i-choose master brand and sustained marketing spend (~12% of sales) to strengthen consumer engagement.

Consl. Income Statement (INRm)

	FY26				FY27E				FY26	FY27E	FY27E	% var
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	
Revenues	**19,337**	**20,437**	**21,399**	**27,518**	**22,699**	**23,082**	**24,883**	**32,028**	**88,691**	**1,02,692**	**21,289**	**7%**
growth YoY(%)	-0.9	-8.8	-2.9	-0.1	17.4	12.9	16.3	16.4	-3.1	15.8	10.1	
CDMO	9,970	10,440	11,660	17,080	11,870	11,588	13,059	19,471	49,150	55,989	10,967	
CHG	6,370	6,440	6,680	7,550	7,430	7,857	8,016	8,909	27,040	32,212	6,880	
ICH	3,020	3,190	3,340	3,200	3,470	3,637	3,808	3,648	12,750	14,562	3,443	
EBITDA*	**1,067**	**1,587**	**1,957**	**4,605**	**1,952**	**2,193**	**3,359**	**5,605**	**9,216**	**13,109**	**1,384**	**41%**
margin (%)	5.5	7.8	9.1	16.7	8.6	9.5	13.5	17.5	10.4	12.8	6.5	
growth YoY(%)	-47.8	-53.5	-42.0	-17.9	82.9	38.2	71.6	21.7	-36.2	42.2	29.7	
Depreciation	1,973	2,028	2,127	2,184	2,236	1,989	2,144	2,760	8,312	9,129	1,860	
EBIT	**-906**	**-441**	**-170**	**2,421**	**-283**	**204**	**1,215**	**2,845**	**904**	**3,980**	**-476**	
Other income	584	656	432	461	894	510	520	530	2,133	2,454	490	
Interest expense	862	824	892	830	881	938	938	938	3,408	3,693	938	
Share from Asso. Co	186	148	103	136	196	140	150	181	572	667	138	
PBT	**-998**	**-462**	**-527**	**2,188**	**-75**	**-84**	**947**	**2,619**	**201**	**3,408**	**-786**	
EO Expenses/(gain)	(207)	-	411	1,758	-	-	-	-	1,961	-	-	
Taxes	**27**	**530**	**423**	**518**	**619**	**390**	**390**	**390**	**1,499**	**1,789**	**390**	
Tax Rate (%)	-3.4	-114.9	-45.1	120.5	-830.2	-465.8	41.2	14.9	-85.1	52.5	-49.6	
Reported PAT	**-817**	**-992**	**-1,362**	**-88**	**-694**	**-474**	**557**	**2,229**	**-3,259**	**1,618**	**-1,176**	
Adj. PAT	**-1,031**	**-992**	**-950**	**1,670**	**-694**	**-474**	**557**	**2,229**	**-1,304**	**1,618**	**-1,176**	
Change (%)	NA	NA	NA	8.8	-32.7	-52.3	-158.7	33.4	NA	NA	14.0	

ACME Solar Holdings

BSE SENSEX	S&P CNX
77,655	24,250

Conference Call Details

Date: 30 July 2026
Time: 12:00 HRS IST
Dial in:
+91 22 6280 1488
+91 22 7115 8869

CMP: INR367 — Buy

Strong beat on EBITDA and APAT

Financial Highlights

- ACME reported 1QFY27 consolidated revenue of INR8.6b (+68% YoY, +57% QoQ), beating our estimate by 9%, driven by higher-than-expected capacity utilization factor (CUF) and BESS revenue.
- EBITDA was 14% above our est. at INR7.3b (+60% YoY, +53% QoQ), while EBITDA margin stood at 86% (vs. our est. of 82%).
- Adjusted PAT came in at INR2.4b (+60% YoY, +88% QoQ), beating our estimate by 39%.

Other Highlights

- Quarterly CUF improved to 30.9% in 1QFY27 (vs. 28.5% in 1QFY26).
- Power generation increased 23.4% YoY to 2,020MUs, driven by capacity additions, higher irradiation, and improved plant performance.
- Revenue included an INR2,260m contribution from the phased operationalization of ~3.1GWh of BESS during the quarter. BESS EBITDA margin stood at 82% (lower than the RE portfolio, as it included power purchased cost).
- The company signed PPAs for 600MW during 1QFY27, comprising a 300MW FDRE project and a 300MW hybrid project with SECI.
- It commissioned ~2.3GWh of BESS during the quarter, taking the total commissioned BESS capacity to ~3.62GWh.
- ACME's operational capacity stands at 3GW, with an under-construction capacity of 5.1GW (76% PPA-backed), taking the total to 8.1GW.
- The company won bids for short-term contracts, securing INR14b+ revenue lock-in for partial sale of FY27 BESS capacity.
- The company incurred capex of INR29.5b during the quarter.

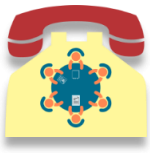
Consolidated performance (INR m)

Y/E March	FY26				FY27E				FY26	FY27E	FY27E	Var.	YoY	QoQ
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	%	(%)	(%)
Net Sales	**5,110**	**4,677**	**4,968**	**5,479**	**8,575**	**7,498**	**8,531**	**11,267**	**20,234**	**35,871**	7,864	9%	68%	57%
YoY Change (%)	65%	80%	42%	13%	68%	60%	72%	106%	44%	77%	54%			
EBITDA	**4,578**	**4,002**	**4,445**	**4,788**	**7,343**	**6,160**	**7,031**	**8,675**	**17,813**	**29,209**	6,469	14%	60%	53%
YoY Change (%)	68%	81%	45%	10%	60%	54%	58%	81%	44%	64%				
Margin (%)	90%	86%	89%	87%	86%	82%	82%	77%	88%	81%	82%			
Depreciation	1,076	1,174	1,202	1,228	1,548	1,748	2,237	3,177	4,679	8,710	1,301	19%	44%	26%
Interest	2,330	2,645	2,880	3,375	3,443	3,615	4,912	6,992	11,230	18,962	3,737	-8%	48%	2%
Other Income	730	1,336	1,200	1,571	963	1,386	1,720	1,958	4,837	6,027	824	17%	32%	-39%
PBT before EO expense	**1,903**	**1,519**	**1,563**	**1,756**	**3,315**	**2,183**	**1,602**	**464**	**6,741**	**7,563**	2,254			
Extra-Ord income/(exp.)	-159	42	0	143	0	0	0	0	27	0	-			
PBT	**1,744**	**1,562**	**1,563**	**1,900**	**3,315**	**2,183**	**1,602**	**464**	**6,768**	**7,563**	2,254	47%	90%	74%
Tax	436	411	426	517	961	546	401	81	1,789	1,988	564	71%	121%	86%
Tax rate	25%	26%	27%	27%	29%	25%	25%	17%	26%	26%	25%			
Minority Interest	-0.1	-0.1	-0.1	-10.1	0.0	0.0	0.0	0.0	-10.3	0.0	-			
Reported PAT	**1,308**	**1,151**	**1,137**	**1,393**	**2,353**	**1,637**	**1,202**	**383**	**4,989**	**5,575**	1,691	39%	80%	69%
Adj PAT	**1,467**	**1,108**	**1,137**	**1,250**	**2,353**	**1,637**	**1,202**	**383**	**4,962**	**5,575**	1,691	39%	60%	88%
YoY Change (%)	10465%	624%	-4%	-9%	60%	48%	6%	-69%	82%	12%	15%			
Margin (%)	29%	24%	23%	23%	27%	22%	14%	3%	25%	16%	22%			

Syrma SGS Technology

BSE SENSEX	S&P CNX
77,655	24,250

Conference Call Details



Date: 30th July 2026
Time: 10:30 am IST
Dial-in details:
Click Here

CMP: INR1,355 — Buy

Operating performance above our estimates

- Consol. revenue grew by 68% YoY to INR15.9b (est. INR14b).
- EBITDA margin expanded 100bp YoY to 10.2% (est. 9.5%), led by a decrease in the share of employee and other expenses.
- EBITDA grew ~87% YoY to INR1.6b (est. INR1.3b).
- Adj. PAT grew ~2x YoY to INR1b (est. INR788m).
- IT and Railways grew the highest (up 3x), followed by Healthcare/Auto/Consumer/Industrial (up 2x/78%/68%/31% YoY).

Consolidated - Quarterly Earning Model (INR m)

Y/E March	FY26				FY27E				FY26	FY27E	FY27E	Var
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			1QE	%
Gross Sales	**9,440**	**11,459**	**12,642**	**14,650**	**15,886**	**15,126**	**16,561**	**18,307**	**48,191**	**65,879**	**14,160**	**12**
YoY Change (%)	-18.6	37.6	45.4	58.5	68.3	32.0	31.0	25.0	27.3	36.7	50.0	
Total Expenditure	8,574	10,307	11,048	12,909	14,270	13,562	14,518	16,059	42,836	58,410	12,811	
EBITDA	**866**	**1,152**	**1,594**	**1,741**	**1,616**	**1,563**	**2,043**	**2,248**	**5,354**	**7,470**	**1,349**	**20**
Margins (%)	9.2	10.1	12.6	11.9	10.2	10.3	12.3	12.3	11.1	11.3	9.5	
Depreciation	206	218	203	214	225	275	275	291	841	1,066	250	
Interest	149	126	77	130	133	90	85	68	483	376	100	
Other Income	160	87	103	118	151	220	230	238	469	839	210	
PBT before EO expense	**672**	**895**	**1,417**	**1,516**	**1,408**	**1,418**	**1,913**	**2,127**	**4,500**	**6,866**	**1,209**	
Extra-Ord expense	0	0	34	12	0	0	0	0	46	0	0	
PBT	**672**	**895**	**1,383**	**1,504**	**1,408**	**1,418**	**1,913**	**2,127**	**4,454**	**6,866**	**1,209**	
Tax	172	232	280	312	351	357	481	535	996	1,725	304	
Rate (%)	25.7	25.9	20.3	20.7	24.9	25.2	25.2	25.2	22.4	25.1	25.2	
MI & Profit/Loss of Asso. Cos.	2	23	75	180	56	117	117	117	280	406	117	
Reported PAT	**497**	**641**	**1,028**	**1,012**	**1,001**	**945**	**1,315**	**1,475**	**3,178**	**4,736**	**788**	
Adj PAT	**497**	**641**	**1,055**	**1,024**	**1,001**	**945**	**1,315**	**1,475**	**3,217**	**4,736**	**788**	**27**
YoY Change (%)	157.8	76.8	107.1	56.5	101.2	47.5	24.6	44.1	87.1	47.2	58.4	
Margins (%)	5.3	5.6	8.3	7.0	6.3	6.2	7.9	8.1	6.7	7.2	5.6	

Craftsman Automation

BSE SENSEX	S&P CNX
77,655	24,250

Conference Call Details

Date: 30th July'26
Time: 3:30PM IST
Dial-in details:
https://tinyurl.com/5atmr2v7
+91 22 6280 1568 /
+91 22 7115 8391

Financials & Valuations (INR b)

INR b	FY26	FY27E	FY28E
Sales	80.7	93.3	108.3
EBITDA	12.4	14.8	18.3
Adj. PAT	3.9	5.5	8.0
EPS (INR)	164.8	231.3	335.8
EPS Gr. (%)	78.9	40.3	45.2
BV/Sh. (INR)	1,368	1,587	1,906
Ratios			
RoE (%)	12.9	15.7	19.2
RoCE (%)	10.1	10.2	12.2
Payout (%)	6.8	5.2	5.1
Valuations			
P/E (x)	60.2	42.9	29.5
P/BV (x)	7.2	6.2	5.2
Div. Yield (%)	0.1	0.1	0.2
FCF Yield (%)	-4.0	0.5	2.5

CMP:INR9,915 — Neutral

Stellar quarterly performance with an all-round beat

- 1QFY27 consolidated revenue grew 36.3% YoY/9.2% QoQ to INR24.3b, beating our estimate of INR21.2b. Even on a standalone basis, revenue beat our estimates.
- Gross margins were down 170bp YoY/100bp QoQ at 44.5%.
- EBITDA also beat our estimates, growing ~45% YoY to INR3.8b. Margins came in at 15.8%, above our estimate of 14.9%.
- **Segmental performance**:
- **Powertrain:** Revenue at INR6.2b rose 25.4% YoY (beating our estimate of INR5.5b). EBIT margin at 18.3% was up 310bp (well ahead of our estimate of 15.5%).
- **Aluminum:** Revenue at INR14.8b was up 38.1% YoY (above estimate of INR13.2b). EBIT margin at 10.1% was flat YoY (ahead of our estimate of 9.5%).
- **Industrial:** Revenue at INR3.3b was up 52.4% YoY, beating our estimate of INR2.5b. EBIT margins at 9% were up 600bp YoY, above our estimates of 3%.
- As a result, PAT came in far ahead of our estimates and doubled YoY to INR1.5b.
- **Valuation view:** The stock trades at 42.9x/29.5x FY27E/FY28E EPS.

Quarterly (Consol) (INR m)

	FY26				FY27E				FY26	FY27E	FY27E	Var.
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	(%)
Net operating income	**17,840**	**20,016**	**20,573**	**22,264**	**24,316**	**22,763**	**24,029**	**22,156**	**80,693**	**93,265**	**21,170**	**14.9**
Change (%)	55.0	64.9	30.5	27.3	36.3	13.7	16.8	-0.5	41.8	15.6	18.7	
RM/Sales (%)	53.9	54.7	55.0	54.6	55.5	55.1	54.7	54.1	54.6	54.9	55.2	30bp
Staff Cost (% of Sales)	8.1	7.2	7.3	6.7	6.8	7.4	7.1	7.5	7.3	7.2	7.4	-60bp
Other Exp. (% of Sales)	23.2	23.0	22.6	22.6	21.9	22.0	22.0	22.6	22.8	22.1	22.5	-60bp
EBITDA	**2,649**	**3,019**	**3,122**	**3,585**	**3,839**	**3,517**	**3,892**	**3,505**	**12,376**	**14,753**	**3,147**	**22.0**
EBITDA Margins (%)	14.9	15.1	15.2	16.1	15.8	15.5	16.2	15.8	15.3	15.8	14.9	90bp
Change (%)	34.3	56.6	56.9	47.2	44.9	16.5	24.7	-2.2	185.1	178.7	18.8	
Non-Operating Income	50	96	277	191	231	120	300	24	614	675	60	
Interest	663	770	794	863	862	650	550	410	3090	2472	750	
Depreciation	1019	1090	1149	1181	1204	1350	1450	1513	4439	5516	1200	
MI/Share of Profit	-2	-4	-3	-3	-6	-3	-3	0	-11	-12	-3	
PBT after EO items	**937**	**1,253**	**1,422**	**1,730**	**2,010**	**1,640**	**2,195**	**1,607**	**5,343**	**7,452**	**1,260**	**59.5**
Eff. Tax Rate (%)	25.7	27.5	24.7	32.7	25.1	25.5	26.0	27.5	28.1	26.0	25.4	
Rep. PAT	**696**	**909**	**1,071**	**1,164**	**1,506**	**1,223**	**1,625**	**1,165**	**3,840**	**5,518**	**940**	**60.2**
Change (%)	30.9	47.3	728.4	74.4	116.3	34.6	51.7	0.0	69.7	43.7	35.0	
Adj. PAT	**755**	**912**	**1,098**	**1,168**	**1,506**	**1,223**	**1,625**	**1,165**	**3,933**	**5,518**	**940**	**60.2**
Change (%)	42.0	47.9	352.8	55.8	99.4	34.1	48.1	-0.3	73.8	40.3	24.4	

E: MOFSL Estimates

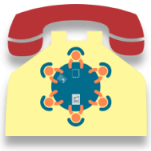
Key Performance Indicators (INR m)

Segment Revenues	FY26E				FY27E				FY26	FY27E	FY27E	VAU (%)
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	
Auto Powertrain	4,964	5,380	5,366	6,079	6,226	5,877	5,861	6,056	18,374	19,982	5,518	12.8
Growth (%)	19.2	24.8	17.3	20.0	25.4	9.3	9.2	-0.4	9.2	8.7	11.2	
PBIT Margin (%)	15.2	14.6	16.8	19.2	18.3	16.0	16.5	14.7	18.6	18.0	15.5	280bp
Aluminum Products	10,713	12,041	12,034	13,101	14,793	13,927	14,424	14,265	18,007	22,431	13,187	12.2
Growth (%)	102.8	106.6	31.3	30.3	38.1	15.7	19.9	8.9	55.3	24.6	23.1	
PBIT Margin (%)	10.1	11.7	9.2	10.2	10.1	10.0	10.5	10.6	13.4	13.0	9.5	60bp
Industrial	2,163	2,596	3,174	3,084	3,297	2,959	3,745	1,835	11,799	13,381	2,466	33.7
Growth (%)	4.7	29.7	56.9	30.0	52.4	14.0	18.0	-40.5	17.3	13.4	14.0	
PBIT Margin (%)	2.2	1.4	6.7	6.1	9.0	4.0	5.0	-1.9	3.9	3.5	3.0	600bp
Total Product sales	**17,840**	**20,016**	**20,573**	**22,264**	**24,316**	**22,763**	**24,029**	**22,156**	**64,463**	**75,332**	**21,170**	**14.9**

MTAR Technologies

BSE SENSEX	S&P CNX
77,655	24,250

Conference Call Details



Date: 30th July'26
Time: 11:00am IST
Dial-in details:
click here

CMP: INR5,183 — Buy

Earnings above estimates

- Consolidated revenue surged 2.3x YoY to INR3.6b (est. INR3.1b).
- EBITDA grew 3x YoY to INR851m (est. INR673m).
- EBITDA margin expanded 550bp YoY to 23.6% (est. 21.5%); gross margin stood at 45.5% (-870bp YoY), while employee expenses/other expenses as % of sales stood at 12.9%/9% (-900bp /-510bp YoY).
- Adj. PAT jumped 4.7x YoY to INR502m (est. INR399m).

Consolidated - Quarterly Earning (INRm)

Y/E March	FY26				FY27				FY26	FY27E	FY27	Var
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	%
Gross Sales	**1,566**	**1,356**	**2,780**	**3,061**	**3,607**	**3,254**	**4,169**	**4,757**	**8,762**	**15,788**	**3,132**	**15%**
YoY Change (%)	22.1	-28.7	59.3	67.2	130.4	140.0	50.0	55.4	29.6	80.2	100.0	
Total Expenditure	1,282	1,186	2,139	2,443	2,757	2,530	3,159	3,567	7,050	12,012	2,458	
EBITDA	**284**	**170**	**640**	**618**	**851**	**725**	**1,010**	**1,190**	**1,712**	**3,775**	**673**	**26%**
Margins (%)	18.1	12.5	23.0	20.2	23.6	22.3	24.2	25.0	19.5	23.9	21.5	
Depreciation	84	88	88	90	97	95	108	110	350	410	90	
Interest	58	62	77	96	158	105	130	71	294	464	100	
Other Income	6	37	24	164	79	50	60	70	231	259	50	
PBT before EO expense	**148**	**57**	**499**	**595**	**674**	**575**	**832**	**1,079**	**1,299**	**3,160**	**533**	
Extra-Ord expense	0	0	38	0	0	0	0	0	38	0	0	
PBT	**148**	**57**	**461**	**595**	**674**	**575**	**832**	**1,079**	**1,261**	**3,160**	**533**	
Tax	40	14	114	153	172	145	209	272	321	798	134	
Rate (%)	27.0	25.2	24.8	25.6	25.5	25.2	25.2	25.2	25.5	25.2	25.2	
Reported PAT	**108**	**42**	**347**	**443**	**502**	**430**	**623**	**807**	**940**	**2,362**	**399**	
Adj PAT	**108**	**42**	**375**	**443**	**502**	**430**	**623**	**807**	**968**	**2,362**	**399**	**26%**
YoY Change (%)	144.2	-77.4	135.0	222.6	364.5	912.7	66.0	82.4	83.1	143.9	269.0	
Margins (%)	6.9	3.1	13.5	14.5	13.9	13.2	14.9	17.0	11.1	15.0	12.7	

E: MOFSL Estimates

TBO Tek

BSE Sensex	S&P CNX
77,655	24,250

Conference Call Details

Date: 30TH July 2026
Time: 04:00 PM IST
Webinar Registration - Zoom

CMP: INR 1,523 — Buy

Beat on our estimates

- TBO Tek reported a resilient 1QFY27 performance. Revenue rose 81% YoY to INR9,258m (est: INR8,228m), aided by the consolidation of Classic vacations, while organic revenue grew 16% YoY to INR5,950m (est: INR5,728m).
- EBITDA stood at INR1,435m (est. INR1,112m) and margin came in at 15.5% (est. 13.5%).
- Notably gross profit growth outpaced SG&A growth on the back of operating leverage.
- PAT increased by 32.3% YoY to INR834m (est. INR652m).
- Monthly transacting buyers (MTBs) reached 33,736 in 1Q, up 14% YoY.
- Organic MTBs stood at 31,540, up 7% YoY.
- Overall GTV stood at INR1,11,540m, up 37% YoY (up 30% in CC terms).
- Organic GTV at INR99,180m was up 22% and in CC terms 15% YoY.
- GTV for the Hotels + Ancillary business reached INR75,780m, up 50% YoY. GTV for Airlines business reached INR35,770m, up 17% YoY.
- Hotels + Ancillary GTV for the APAC, LATAM, MEA, and EU grew 41%, 9%, 1%, and 24% in CC terms YoY, respectively.
- India airlines business grew 14.7% YoY, while the consolidated airlines business grew 16.9% YoY.

Valuation and view

We believe TBO Tek has delivered a strong set of numbers despite a challenging operating environment. We expect it to deliver a CAGR of 32%/41%/47% in revenue/EBIT/PAT over FY26-28 mainly on the back of increased contribution from high take-rate hotels and ancillary segments in the GTV mix. Currently, we have a BUY rating on TBO Tek with a TP of INR1,765, valued at 36x P/E on FY28E EPS.

Quarterly performance (INR m)

Y/E March	FY26				FY27E				FY26	FY27E	Est.	Var.
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QFY27	(%/bp)
Revenue	**5,113**	**5,675**	**7,843**	**8,144**	**9,258**	**9,091**	**10,031**	**10,019**	**26,775**	**37,369**	8,228	**12.5**
YoY (%)	22.2	25.9	85.8	82.6	81.1	60.2	27.9	23.0	54.1	39.6	60.9	
Service Fees	1,780	2,042	3,011	3,202	3,734	3,500	3,862	3,857	10,035	14,455	3,235	
Employee exp.	1,028	1,079	1,647	1,702	1,794	1,872	2,060	2,058	5,456	7,690	1,700	
Other exp.	1,525	1,674	2,114	2,186	2,295	2,409	2,658	2,655	7,499	9,903	2,180	
EBITDA	**779**	**881**	**1,072**	**1,053**	**1,435**	**1,310**	**1,451**	**1,449**	**3,785**	**5,322**	1,112	**29.1**
EBITDA (%)	15.2	15.5	13.7	12.9	15.5	14.4	14.5	14.5	14.1	14.2	13.5	+200bp
EBIT	**639**	**719**	**808**	**754**	**1,105**	**1,061**	**1,202**	**1,200**	**2,921**	**4,327**	864	**27.9**
EBIT (%)	12.5	12.7	10.3	9.3	11.9	11.7	12	12	10.9	11.6	10.5	+140bp
Finance cost	53	89	149	146	146	146	146	146	**436**	585	146	
Other Income	89	152	55	128	74	91	100	100	**424**	374	82	
ETR (%)	16.4	13.7	18.8	18.4	19.3	18.5	18.5	18.5	16.7	18.5	18.5	
Reported PAT	**630**	**675**	**537**	**601**	**834**	**820**	**942**	**941**	**2,443**	**3,355**	652	**27.8**
YoY (%)	3.4	12.4	7.4	2.0	32.3	21.4	75.5	56.5	6.3	37.3	3.5	
Adjusted PAT	**630**	**675**	**537**	**601**	**834**	**820**	**942**	**941**	**2,443**	**3,355**	652	**27.8**
EPS (INR)	5.9	6.3	5	5.6	7.8	7.6	8.8	8.7	**22.7**	**31.2**	6.1	**28.0**

MAS Financial Services

BSE Sensex	S&P CNX
77,655	24,250

Conference Call Details

Date: 30th July 2026
Time: 3:30 PM IST
Dial-in details:
Link for the call
Number:+ 91 22 6280 1384/ + 91 22 7115 8285

Financials & Valuations (INR b)

Y/E March	FY26	FY27E	FY28E
Total income	10.4	13.2	15.4
PPP	6.7	8.4	9.6
PAT	3.6	4.5	5.3
EPS (INR)	20.0	24.7	28.9
EPS Gr. (%)	18.9	23.4	17.0
BVPS (INR)	160	182	209
Ratios (%)			
NIM	7.3	7.9	7.8
C/I ratio	35.7	36.5	37.5
RoA	2.9	3.1	3.1
RoE	13.4	14.4	14.8
Payout	10.0	10.0	10.0
Valuations			
P/E (x)	16	13	11
P/BV (x)	1.9	1.7	1.5
Div. yield (%)	0.6	0.8	0.9

CMP: INR325 — Buy

Earnings in line; healthy AUM growth and stable asset quality

NIM (calc.) stable QoQ

- MASFIN's 1QFY27 PAT grew ~25% YoY to INR1.05b (in line). Net total income grew 30% YoY to INR3.1b (in line). Opex rose ~29% YoY to INR1.1b (in line).
- PPoP stood at INR2b (in line) and grew 30% YoY. Credit costs increased by ~43% YoY to ~INR605m (in line), translating into annualized credit costs of 1.6% (PQ:1.6% and PY: 1.4%).

Standalone AUM grew ~21% YoY; yields rose ~30bp QoQ

- Standalone AUM stood at ~INR151b, up ~21% YoY/6% QoQ. Within this, AUM of micro-enterprise/SME/2W/CV loans grew 23%/21%/19%/13% YoY. Salaried PL grew ~21% YoY to ~INR13.7b.
- Around 33% of the underlying assets in the standalone AUM came through partner NBFCs. MSME segment contributed 80% in the YoY AUM growth.
- Yields (calc.) rose ~30bp QoQ to 15.3%, while CoF (calc) declined ~30bp QoQ to ~8.9%. This resulted in ~60bp QoQ expansion in spreads to ~6.4%. NIM (calc.) remained stable QoQ at ~8.3%.

Other highlights

- Asset quality for the standalone entity remained stable QoQ, with GS3/NS3 at 2.6%/1.7%. The company continues to carry a management overlay of ~INR176m as on Jun'26 (~0.14% of the on-book assets).
- CAR as of Jun'26 stood at ~23.3%, with Tier-I capital at ~22%.
- Avg. ticket size of micro-enterprise loans stood at ~INR82k (PQ: ~INR80k), while SME loans increased marginally to ~INR2.9m (PQ: ~INR2.8m).

MAS Rural Housing and Mortgage Finance (HFC subsidiary)

- MAS Housing reported AUM of ~INR9.8b, up ~23% YoY.
- GNPA/NNPA in the housing segment remained stable QoQ at 0.98%/0.68%. The company continues to carry a management overlay of ~INR37m as of Jun'26 (~0.52% of the on-book assets).
- CRAR as of Jun'26 stood at 38%. Tier-I capital stood at 35%.

Valuation and view

- MASFIN reported in-line earnings in 1QFY27, supported by healthy AUM growth of ~21% YoY. Asset quality remained stable during the quarter, while improving yields and a decline in the cost of funds supported margin expansion.
- We will assess the company's outlook and key management commentary on these aspects and update our guidance following the earnings call on 30th Jul'26.

Quarterly Performance (INR M)

Y/E March	FY26				FY27E				FY26	FY27E	1QFY27E	Act. v/s Est. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Revenue from Operations	**4,438**	**4,586**	**4,816**	**5,164**	**5,303**	**5,593**	**5,827**	**6,276**	**19,003**	**22,999**	**5,341**	**-1**
Interest Income	3,687	3,760	3,892	4,242	4,563	4,791	4,983	4,502	15,581	18,838	4,391	4
Gain on assignments	430	534	597	709	545	566	583	1,029	2,270	2,724	659	-17
Other operating Income	320	292	327	213	196	235	261	745	1,152	1,437	291	-33
Interest expenses	2,062	2,116	2,191	2,219	2,225	2,336	2,441	2,833	8,587	9,834	2,281	-2
Total income	**2,376**	**2,471**	**2,625**	**2,945**	**3,079**	**3,257**	**3,386**	**3,443**	**10,417**	**13,165**	**3,060**	1
Growth Y-o-Y (%)	*36*	*29*	*28*	*30*	*30*	*32*	*29*	*17*	*31*	*26*	*29*	
Operating Expenses	827	897	1,002	1,039	1,071	1,141	1,204	1,390	3,723	4,806	1,091	-2
Operating Profits	**1,549**	**1,574**	**1,623**	**1,906**	**2,007**	**2,116**	**2,183**	**2,052**	**6,694**	**8,359**	**1,969**	**2**
Growth Y-o-Y (%)	*31*	*23*	*17*	*26*	*30*	*34*	*34*	*8*	*25*	*25*	*27*	
Provisions	424	371	393	575	605	635	622	499	1,763	2,361	587	3
Profit before tax	**1,124**	**1,202**	**1,230**	**1,331**	**1,403**	**1,481**	**1,560**	**1,554**	**4,888**	**5,997**	**1,383**	**1**
Growth Y-o-Y (%)	*19*	*18*	*17*	*22*	*25*	*23*	*27*	*17*	*19*	*23*	*23*	
Tax Provisions	285	305	327	334	357	370	390	395	1,252	1,511	346	3
Net Profit	**839**	**897**	**903**	**997**	**1,046**	**1,111**	**1,170**	**1,159**	**3,637**	**4,486**	**1,037**	**1**
Growth Y-o-Y (%)	*19*	*17*	*16*	*23*	*25*	*24*	*30*	*16*	*19*	*23*	*24*	
Key Operating Parameters (%)												
Yield on loans (Cal)	14.85	14.56	14.35	14.98	15.27	15.32	15.52	13.44				
Cost of funds (Cal)	9.32	9.18	9.20	9.16	8.87	8.97	9.10	10.05				
Spreads (Cal)	5.5	5.4	5.2	5.8	6.4	6.3	6.4	3.4				
NIM on AUM (Cal)	7.73	7.75	7.84	8.37	8.35	8.45	8.46	8.23				
Credit Cost (%)	1.4	1.2	1.2	1.6	1.6	1.6	1.6	1.2				
Cost to Income Ratio	34.8	36.3	38.2	35.3	34.8	35.0	35.5	40.4				
Tax Rate	25.4	25.4	26.6	25.1	25.4	25.0	25.0	25.0				
Balance Sheet Parameters												
Standalone AUM (INR B)	**125.0**	**130.0**	**137.8**	**143.6**	**151.5**	**156.9**	**163.3**	**171.2**				
Change YoY (%)	20.4	18.0	18.0	18.7	21.1	20.7	18.5	19.2				
Disbursements (INR B)	**31.9**	**32.0**	**36.0**	**41.6**	**39.3**	**39.5**	**42.5**	**45.7**				
Change YoY (%)	17.1	5.8	13.9	34.6	23.0	23.5	18.0	9.9				
Borrowings (INR B)	**89.9**	**94.5**	**96.1**	**97.6**	**103.1**	**105.1**	**109.4**	**116.2**				
Change YoY (%)	25.1	21.3	19.3	12.2	14.7	11.2	13.8	19.0				
Debt/Equity (x)												
Asset liability Mix												
AUM Mix (%)												
Micro Enterprises	40.1	40.1	40.6	39.9	40.6							
SME loans	36.2	35.6	35.7	36.3	36.2							
2W loans	7.0	7.1	7.4	7.4	6.9							
CV loans	7.7	8.1	7.7	7.6	7.2							
Borrowings Mix (%)												
Direct Assignment	21.2	22.0	22.0	22.8	20.7							
Cash Credit	10.1	9.9	9.7	11.0	14.1							
Term Loan	51.6	50.5	49.3	48.4	44.8							
NCD	14.4	15.1	16.1	15.0	17.8							
Sub Debt	2.7	2.6	2.5	2.4	2.4							
Asset Quality Parameters (%)												
GS 3 (INR m)	2,620	2,663	2,891	2,976	3,213							
GS 3 (%)	2.49	2.53	2.56	2.57	2.58							
NS 3 (INR m)	1,541	1,563	1,736	1,730	1,884							
NS 3 (%)	1.63	1.69	1.72	1.70	1.70							
PCR (%)	41.2	41.3	39.9	41.9	41.4							
Return Ratios (%)	*1.0*				*-0.5*							
ROA	2.8	2.9	2.9	3.1	2.9							
Tier I ratio	23.2	22.7	21.5	21.5	21.9							

E: MOFSL estimates

Indostar Capital Finance

BSE Sensex	S&P CNX
77,655	24,250

Conference Call Details

Date: 30th July 2026
Time: 12 PM IST
Dial-in details:
Link for the call
Number: +91 22 6280 1550

Financials & Valuations (INR b)

Y/E March	FY26	FY27E	FY28E
NII	6.4	8.1	9.9
PPP	2.7	4.3	5.9
PAT	1.3	2.2	3.4
EPS (INR)	8.1	13.7	21.2
EPS Gr. (%)	109	70	55
BV (INR)	234	248	269
Ratios			
NIM (%)	8.8	9.9	9.8
C/I ratio (%)	65.5	55.3	50.4
RoA (%)	1.3	2.1	2.7
RoE (%)	3.6	5.7	8.2
Payout (%)	0.0	0.0	0.0
Valuations			
P/E (x)	34.1	20.1	13.0
P/BV (x)	1.2	1.1	1.0
Div. Yield (%)	0.0	0.0	0.0

CMP: INR275 — Buy

Early signs of business stability with moderation in borrowing cost

Total disbursements grew 44% YoY; PCR declined sharply by ~7pp QoQ

- Indostar's (INDOSTAR) NII in 1QFY27 grew 44% YoY to INR1.9b. Other income stood at INR367m during the quarter (PQ: INR309m).
- Opex declined ~7% YoY to INR1.3b, translating into a cost-to-income ratio of ~58.2% in 1QFY27 (PY: 88% and PQ: 56.6%). PPOP grew ~390% YoY to INR929m (on a lower base; PQ: INR933m). Credit costs stood at ~INR815m (PQ: ~INR5.2b). This translated into annualized credit costs of ~4% in 1QFY27 (PQ: ~26% and PY: ~25%).
- INDOSTAR's 1QFY27 PAT stood at INR115m (vs. loss of INR4.2b in 4QFY26).

Early signs of stability in business; VF disbursements grow ~43% YoY

- Total AUM grew 6% YoY and 2% QoQ to ~INR82.4b. VF AUM grew 7% YoY and 3% QoQ.
- Total disbursements grew 44% YoY to ~INR12.4b. VF disbursements in 1QFY27 stood at ~INR11.9b, which grew ~43% YoY.
- Micro-LAP AUM grew ~186% YoY/~24% QoQ to INR2.2b. Disbursements in micro-LAP grew ~85% YoY to INR500m. LTV in this segment stood at 38.9% as of Jun'26.

Incremental CoB rises ~10bp QoQ; PCR declines 7pp sequentially

- Reported CoF during the quarter declined ~30bp QoQ to 9.9% (PQ: 10.2% and PY: 10.7%). Incremental CoF in 1QFY27 rose ~10bp QoQ to 9.1%.
- Disbursements yields in vehicle finance rose ~20bp QoQ to 17.4% (PQ: 17.2%).
- GS3 remained stable QoQ at ~4.8%, whereas NS3 rose ~40bp QoQ to 2.5%. PCR declined ~7pp QoQ to ~50% (PQ: 57.4% and PY: 59.6%).

Valuation and view

- INDOSTAR reported healthy disbursement growth in 1QFY27 and plans to deliver a ~35% disbursement CAGR over the next three years. The company expects AUM to scale up to ~INR160b by FY29, supported by branch expansion, improved underwriting quality, and operating leverage benefits.
- We will assess the feasibility of these growth targets, seek greater clarity on the underlying assumptions during the earnings call, and update our estimates and outlook following the management call on 30 July.

Quarterly Performance **(INR M)**

Y/E March	FY26				FY27	FY26	FY27
	1Q	2Q	3Q	4Q	1Q		
Interest Income	3,146	3,172	3,151	3,158	3,300	12,625	14,343
Interest Expenses	1,855	1,667	1,371	1,319	1,444	6,212	6,212
Net Interest Income	**1,291**	**1,506**	**1,779**	**1,839**	**1,856**	**6,414**	**8,131**
YoY Growth (%)	*24.7*	*39.7*	*48.8*	*47.1*	*43.7*	*40.7*	*26.8*
Other Income	291	396	315	309	367	1,311	1,592
Total Income	**1,582**	**1,902**	**2,094**	**2,149**	**2,223**	**7,724**	**9,723**
YoY Growth (%)	*11.3*	*15.7*	*15.9*	*18.2*	*40.5*	*15.0*	*25.9*
Operating Expenses	1,393	1,210	1,242	1,215	1,294	5,060	5,374
Operating Profit	**189**	**692**	**852**	**933**	**929**	**2,665**	**4,349**
YoY Growth (%)	*-40.2*	*86.3*	*43.5*	*50.7*	*390.7*	*40.2*	*63.2*
Provisions & Loan Losses	4,904	586	769	5,173	815	11,432	2,135
Profit before Tax and exceptional item	**-4,715**	**105**	**83**	**-4,240**	**115**	**-8,768**	**2,214**
Exceptional item (post-tax)	**10,069**	**0**	**0**	**0**	**0**	**10,070**	**0**
PBT (incl. exception gain/loss)	**5,355**	**105**	**83**	**-4,240**	**115**	**1,303**	**2,214**
Tax Provisions	0	0	0	0	0	0	0
Reported PAT	**5,355**	**105**	**83**	**-4,240**	**115**	**1,303**	**2,214**
YoY Growth (%)	-	*-41.2*	*-27.6*	-	-	*147.7*	*70.0*
AUM Growth (%)	8.9	0.2	(2.1)	1.2	5.9		
NIM (%)	6.6	7.8	9.3	9.3	9.1		
Cost to Income Ratio (%)	88.0	63.6	59.3	56.6	58.2		
Tax Rate (%)	0.0	0.2	0.1	-	0.0		
Key Operating Parameters (%)							
Yield on loans (Cal)	17.6	18.0	17.8	17.3	17.4		
Cost of funds (Cal)	10.8	10.6	10.1	9.9	10.2		
Spreads (Cal)	6.8	7.4	7.7	7.4	7.2		
NIMs (Cal)	6.6	7.8	9.3	9.3	9.1		
Credit Cost (Cal)	24.9	3.1	4.0	26.3	4.0		
Cost to Income Ratio	88.0	63.6	59.3	56.6	58.2		
Tax Rate	0.0	0.2	0.1	0.0	0.1		
Balance Sheet Parameters							
AUM (INR B)	77.8	75.6	76.9	80.6	82.4		
Change YoY (%)	8.9	0.2	-2.1	1.2	5.9		
AUM Mix (%)							
Vehicle	92.9	92.9	93.0	93.1	93.7		
Micro-LAP	1.0	1.3	1.7	2.2	2.6		
SME & Others	4.7	4.5	4.1	4.7	3.7		
Corporate	1.4	1.3	1.2	0.0	0.0		
Asset Quality Parameters (%)							
GS 3 (INR B)	3.0	2.2	3.0	3.8	3.9		
Gross Stage 3 (% on Assets)	4.0	3.0	4.1	4.8	4.8		
Net Stage 3 (% on Assets)	1.7	1.1	1.8	2.1	2.5		
PCR (%)	59.6	63.6	57.8	57.4	49.9		

E: MOFSL estimates

Mold-Tek | Volume guidance is muted owing to geopolitical risk; Lakshmana Rao Janumahanti, CMD

- EBITDA/kg guidance raised on efficiency gains
- Pharma, food drive higher-margin revenue mix
- Paint packaging maintains double-digit growth outlook
- Hyderabad consolidation delivers permanent cost savings

Read More

Suzlon Energy | Working On Obtaining Certifications To Facilitate Exports; Ajay Kapur, CEO

- FY27 expected stronger than FY26
- Service business delivers 43% margins
- S175 turbine sees strong early traction
- International expansion investments underway
- ₹700 crore capex plan remains unchanged

Read More

M&M Financial | Seeing Resilient Demand In The Underlying Segments; Raul Rebello, MD & CEO

- Asset quality stays resilient despite uncertainties
- Rural demand remains healthy across vehicle segments
- Gold loans on radar, no immediate entry
- FY31 target: 30% non-wheels AUM mix
- Liquidity buffer increased amid global uncertainties

Read More

Pine Labs | Online Business Is Growing At About 20-30%; Sameer Kamath, CFO

- Monetization beyond payment rails driving growth
- International expansion weighing on near-term margins
- Profit rose 4x YoY to ₹20 crore
- Shopflo acquisition contributing incremental payment volumes
- AI investments to support future growth

Read More

Investment in securities market are subject to market risks. Read all the related documents carefully before investing

NOTES

Explanation of Investment Rating	
Investment Rating	**Expected return (over 12-month)**
BUY	>=15%
SELL	< - 10%
NEUTRAL	> - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

*In case the recommendation given by the Research Analyst is inconsistent with the investment rating legend for a continuous period of 30 days, the Research Analyst shall within following 30 days take appropriate measures to make the recommendation consistent with the investment rating legend.

Disclosures:
The following Disclosures are being made in compliance with the SEBI Research Analyst Regulations 2014 (herein after referred to as the Regulations).

Motilal Oswal Financial Services Ltd. (MOFSL) is a SEBI Registered Research Analyst having registration no. INH000000412 and BSE enlistment no. 5028. MOFSL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Depository participant services & distribution of various financial products. MOFSL is a listed public company, the details in respect of which are available on www.motilaloswal.com. MOFSL is registered with the Securities & Exchange Board of India (SEBI) and is a registered Trading Member with National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Limited (BSE), Multi Commodity Exchange of India Limited (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) National Securities Depository Limited (NSDL),NERL, COMRIS and CCRL and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products and Insurance Regulatory & Development Authority of India (IRDA) as Corporate Agent for insurance products and is a member of Association of Portfolio Managers in India (APMI) for distribution of PMS products. Details of associate entities of Motilal Oswal Financial Services Ltd. are available on the website at http://onlinereports.motilaloswal.com/Dormant/documents/Associate%20Details.pdf

Details of pending Enquiry Proceedings of Motilal Oswal Financial Services Limited are available on the website at https://galaxy.motilaloswal.com/ResearchAnalyst/PublishViewLitigation.aspx

MOFSL, it's associates, Research Analyst or their relatives may have any financial interest in the subject company. MOFSL and/or its associates and/or Research Analyst or their relatives may have actual beneficial ownership of 1% or more securities in the subject company at the end of the month immediately preceding the date of publication of the Research Report or date of the public appearance. MOFSL and its associate company(ies), their directors and Research Analyst and their relatives may have any other potential conflict of interests at the time of publication of the research report or at the time of public appearance, however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report..

In the past 12 months, MOFSL or any of its associates may have:
received any compensation/other benefits from the subject company of this report
managed or co-managed public offering of securities from subject company of this research report,
received compensation for investment banking or merchant banking or brokerage services from subject company of this research report,
received compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company of this research report.

MOFSL and it's associates have not received any compensation or other benefits from the subject company or third party in connection with the research report.
Subject Company may have been a client of MOFSL or its associates during twelve months preceding the date of distribution of the research report.
Research Analyst may have served as director/officer/employee in the subject company.
MOFSL and research analyst may engage in market making activity for the subject company.
MOFSL and its associate company(ies), and Research Analyst and their relatives from time to time may have:
a) a long or short position in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein.
(b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.
Above disclosures include beneficial holdings lying in demat account of MOFSL which are opened for proprietary investments only. While calculating beneficial holdings, It does not consider demat accounts which are opened in name of MOFSL for other purposes (i.e holding client securities, collaterals, error trades etc.). MOFSL also earns DP income from clients which are not considered in above disclosures.
To enhance transparency, MOFSL has incorporated a Disclosure of Interest Statement in this document. This should, however, not be treated as endorsement of the views expressed in the report. MOFSL and / or its affiliates do and seek to do business including investment banking with companies covered in its research reports. As a result, the recipients of this report should be aware that MOFSL may have a potential conflict of interest that may affect the objectivity of this report.

Terms & Conditions:
This report has been prepared by MOFSL and is meant for sole use by the recipient and not for circulation. The report and information contained herein is strictly confidential and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of MOFSL. The report is based on the facts, figures and information that are considered true, correct, reliable and accurate. The intent of this report is not recommendatory in nature. The information is obtained from publicly available media or other sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. The report is prepared solely for informational purpose and does not constitute an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments for the clients. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. MOFSL will not treat recipients as customers by virtue of their receiving this report.
Analyst Certification
The views expressed in this research report accurately reflect the personal views of the analyst(s) about the subject securities or issues, and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations and views expressed by research analyst(s) in this report.

Disclosure of Interest Statement
Analyst ownership of the stock No
A graph of daily closing prices of securities is available at www.nseindia.com, www.bseindia.com. Research Analyst views on Subject Company may vary based on Fundamental research and Technical Research. Proprietary trading desk of MOFSL or its associates maintains arm's length distance with Research Team as all the activities are segregated from MOFSL research activity and therefore it can have an independent view with regards to subject company for which Research Team have expressed their views.

Regional Disclosures (outside India)
This report is not directed or intended for distribution to or use by any person or entity resident in a state, country or any jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOFSL & its group companies to registration or licensing requirements within such jurisdictions.

For Hong Kong:
This report is distributed in Hong Kong by Motilal Oswal capital Markets (Hong Kong) Private Limited, a licensed corporation (CE AYY-301) licensed and regulated by the Hong Kong Securities and Futures Commission (SFC) pursuant to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) "SFO". As per SEBI (Research Analyst Regulations) 2014 Motilal Oswal Financial Services Limited (SEBI Reg No. INH000000412) has an agreement with Motilal Oswal capital Markets (Hong Kong) Private Limited for distribution of research report in Hong Kong. This report is intended for distribution only to "Professional Investors" as defined in Part I of Schedule 1 to SFO. Any investment or investment activity to which this document relates is only available to professional investor and will be engaged only with professional investors." Nothing here is an offer or solicitation of these securities, products and services in any jurisdiction where their offer or sale is not qualified or exempt from registration. The Indian Analyst(s) who compile this report is/are not located in Hong Kong & are not conducting Research Analysis in Hong Kong.

For U.S.
MOTILAL Oswal Financial Services Limited (MOFSL) is not a registered broker - dealer under the U.S. Securities Exchange Act of 1934, as amended (the"1934 act") and under applicable state laws in the United States. In addition MOFSL is not a registered investment adviser under the U.S. Investment Advisers Act of 1940, as amended (the "Advisers Act" and together with the 1934 Act, the "Acts), and

under applicable state laws in the United States. Accordingly, in the absence of specific exemption under the Acts, any brokerage and investment services provided by MOFSL, including the products and services described herein are not available to or intended for U.S. persons. This report is intended for distribution only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the Exchange Act and interpretations thereof by SEC (henceforth referred to as "major institutional investors"). This document must not be acted on or relied on by persons who are not major institutional investors. Any investment or investment activity to which this document relates is only available to major institutional investors and will be engaged in only with major institutional investors. In reliance on the exemption from registration provided by Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act") and interpretations thereof by the U.S. Securities and Exchange Commission ("SEC") in order to conduct business with Institutional Investors based in the U.S., MOFSL has entered into a chaperoning agreement with a U.S. registered broker-dealer, Motilal Oswal Securities International Private Limited. ("MOSIPL"). Any business interaction pursuant to this report will have to be executed within the provisions of this chaperoning agreement.

The Research Analysts contributing to the report may not be registered /qualified as research analyst with FINRA. Such research analyst may not be associated persons of the U.S. registered broker-dealer, MOSIPL, and therefore, may not be subject to NASD rule 2711 and NYSE Rule 472 restrictions on communication with a subject company, public appearances and trading securities held by a research analyst account.

For Singapore
In Singapore, this report is being distributed by Motilal Oswal Capital Markets (Singapore) Pte. Ltd. ("MOCMSPL") (UEN 201129401Z), which is a holder of a capital markets services license and an exempt financial adviser in Singapore.This report is distributed solely to persons who (a) qualify as "institutional investors" as defined in section 4A(1)(c) of the Securities and Futures Act of Singapore ("SFA") or (b) are considered "accredited investors" as defined in section 2(1) of the Financial Advisers Regulations of Singapore read with section 4A(1)(a) of the SFA. Accordingly, if a recipient is neither an "institutional investor" nor an "accredited investor", they must immediately discontinue any use of this Report and inform MOCMSPL .
In respect of any matter arising from or in connection with the research you could contact the following representatives of MOCMSPL. In case of grievances for any of the services rendered by MOCMSPL write to grievances@motilaloswal.com.
Nainesh Rajani
Email: nainesh.rajani@motilaloswal.com
Contact: (+65) 8328 0276

Disclaimer:
This report is intended for distribution to Retail Investors.

The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent. This report and information herein is solely for informational purpose and may not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult its own advisors to determine the merits and risks of such an investment. The investment discussed or views expressed may not be suitable for all investors. Certain transactions -including those involving futures, options, another derivative products as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. No representation or warranty, express or implied, is made as to the accuracy, completeness or fairness of the information and opinions contained in this document. The Disclosures of Interest Statement incorporated in this document is provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report. This information is subject to change without any prior notice. The Company reserves the right to make modifications and alternations to this statement as may be required from time to time without any prior approval. MOFSL, its associates, their directors and the employees may from time to time, effect or have effected an own account transaction in, or deal as principal or agent in or for the securities mentioned in this document. They may perform or seek to perform investment banking or other services for, or solicit investment banking or other business from, any company referred to in this report. Each of these entities functions as a separate, distinct and independent of each other. The recipient should take this into account before interpreting the document. This report has been prepared on the basis of information that is already available in publicly accessible media or developed through analysis of MOFSL. The views expressed are those of the analyst, and the Company may or may not subscribe to all the views expressed therein. This document is being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, copied, in whole or in part, for any purpose. This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOFSL to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction. Neither the Firm, not its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information. The person accessing this information specifically agrees to exempt MOFSL or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold MOFSL or any of its affiliates or employees responsible for any such misuse and further agrees to hold MOFSL or any of its affiliates or employees free and harmless from all losses, costs, damages, expenses that may be` suffered by the person accessing this information due to any errors and delays.

This report is meant for the clients of Motilal Oswal only.

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

Registration granted by SEBI, enlistment as RA with Exchange and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors

Registered Office Address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022 - 71934200 / 71934263; www.motilaloswal.com. Correspondence Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai- 400 064. Tel No: 022 71881000. Details of Compliance Officer: Neeraj Agarwal, Email Id: na@motilaloswal.com, Contact No.:022-40548085.

Grievance Redressal Cell:

Contact Person	Contact No.	Email ID
Ms. Hemangi Date	022 40548000 / 022 67490600	query@motilaloswal.com
Ms. Kumud Upadhyay	022 40548082	servicehead@motilaloswal.com
Mr. Ajay Menon	022 40548083	am@motilaloswal.com
Mr. Neeraj Agarwal	022 40548085	na@motilaloswal.com
Mr. Siddhartha Khemka	022 50362452	po.research@motilaloswal.com

Registration details of group entities.: Motilal Oswal Financial Services Ltd. (MOFSL): INZ000158836 (BSE/NSE/MCX/NCDEX); CDSL and NSDL: IN-DP-16-2015; Research Analyst: INH000000412, BSE enlistment no. 5028 . AMFI: ARN .: 146822. IRDA Corporate Agent – CA0579, APMI: APRN00233. Motilal Oswal Financial Services Ltd. is a distributor of Mutual Funds, PMS, Fixed Deposit, Insurance, Bond, NCDs and IPO products.

Customer having any query/feedback/ clarification may write to query@motilaloswal.com. In case of grievances for any of the services rendered by Motilal Oswal Financial Services Limited (MOFSL) write to grievances@motilaloswal.com, for DP to dpgrievances@motilaloswal.com.